



COUNTY OF HUMBOLDT

AGENDA ITEM NO.
D-25

For the meeting of: July 19, 2016

Date: June 20, 2016

To: Board of Supervisors

From: Rob Wall, Interim Director of Planning and Building *(50)*

Subject: Approve a Second Amendment to the Agreement for Consultant Services for an Environmental Impact Report for the Humboldt Redwood Company Conditional Use Permit CUP-13-013, and Supplemental Budget (277) for Planning and Building, Current Planning Division

RECOMMENDATIONS:

That the Board of Supervisors:

1. Receive the staff report. Authorize the Chairperson of the Humboldt County Board of Supervisors to execute the attached Amendment No. 2 to the Three-Party Agreement for Preparation of an Environmental Impact Report by a Special Services Consultant under Contract to the County (Agreement) (Attachment 3). The parties to this Agreement are the County of Humboldt (County), Humboldt Redwood Company (Applicant), and SHN Consulting Engineers (Consultant).
2. Authorize the following increases in supplemental budget below for fiscal year FY 2016-17 (4/5 vote required):

1100-277-608000-3575	Planning & Engineering Fees by \$121,735 from \$113,949 to \$235,684.
1110-277-2118	EIR Consultants by \$121,735 from \$113,949 to \$235,684.

(Recommendations continued next page.)

Prepared by *Michael E. Wheeler*
Michael Wheeler, Senior Planner

CAO Approval *Cheryl D. Hoffman*

REVIEW:	Auditor _____	County Counsel <u><i>JWE</i></u>	Human Resources <u><i>KLV</i></u>	Other _____
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TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Fennell*

Seconded by Supervisor *Bass*

Ayes *Sundberg, Fennell, Lovelace, Bohn, Bass*

Nays _____

Abstain _____

Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *July 19, 2016*

By: *Kathy Hayes*
Kathy Hayes, Clerk of the Board

(Recommendations continued.)

3. Authorize the Director of Planning and Building to execute for the County subsequent amendments to the Agreement as follows:
 - a. Changes in Scope of Services (Attachment 1, Exhibit A) consistent with the overall project description;
 - b. Changes in Schedule of Performance (Attachment 1, Exhibit B) amending interim completion dates, final completion date and county personnel services to administer the agreement; and
 - c. Changes in total compensation not to exceed 50% of the amount of the original agreement.
- Any changes in terms of the Agreement, Scope of Services, Schedule of Performance, and Agreement for Special Services must be reviewed by County Counsel and approved by the Planning and Building Department, Current Planning Division, Consultant, and Applicant. The County shall not incur any costs as a result of subsequent amendments.

SOURCE OF FUNDING:

All costs incurred under this Agreement and associated with this project, including preparation of the EIR and development review process, will be borne by Applicant.

DISCUSSION:

The Humboldt Redwood Company (HRC) owns and operates the sawmill complex in the Town of Scotia. Within the ownership there are 13 abandoned or partially abandoned structures on the north end of the sawmill complex that HRC would like to dismantle. These include the West Kiln Sorter Crane Shed, East Kiln Sorter Crane Shed, North Wing and South Wing Dry Kilns, Cooling Sheds on the east end of all Old Kilns, Dry Sorter, Manufacturing Plant, Factory Crane and Loading Sheds, and an Office Building. Additionally, there are support structures such as the Northern and Southern Monorail Tunnels, Old Conveyor and Support Towers that cross property lines and are no longer in use.

A Conditional Use Permit is required for the project per County Ordinance #2296 (Scotia Qualified Combining Zone) because the structures have been identified as contributing historic resources in the 2009 program environmental impact report (PEIR) prepared for the Town of Scotia (State Clearinghouse No. 2007052042) General Plan Amendment, Zone Reclassification and Subdivision. Of the 341 structures in the Town of Scotia, 309 were determined to be "contributing" to Scotia's eligibility for historic district status, within the period of significance, 1896 to 1959. The "contributing" designation included 24 industrial structures, including those proposed for deconstruction under this project.

The County is the lead agency for the project. The preparation of a Subsequent Environmental Impact Report (SEIR) is called for because the PEIR for the Town of Scotia did not address any impacts associated with either demolition or adaptive reuse of the 24 industrial structures determined to be "contributing" to the town's historic significance. Under CEQA, a SEIR is necessary to evaluate the impact of the project, including alternatives to demolition and mitigation for the loss of contributing historic resources.

A three-party contract was previously approved by the Board for the initial project (Attachment 3) and entered into by all parties on October 21, 2014. That contract was amended in February 2015 to include an analysis for greenhouse gas emissions which added \$2,901 to the cost of the original contract. However, since that time, HRC has acquired the Eel River Power Plant property and now wishes to add additional "contributing" historic structures to the demolition project. This requires revision of the original project description, preparation of a new Notice of Preparation under CEQA, and significant revisions to the administrative draft EIR. The Consultant costs for this agreement, due to the additional analysis, are increased by \$118,834 from the original amount of \$113,949, for a new total cost of \$235,684.

FINANCIAL IMPACT:

All costs incurred under this Agreement and associated with this project, including preparation of the EIR and development review process, will be borne by the Applicant.

Approval of the contract amendment assists the department in meeting the goals outlined by the Board of Supervisors in its Strategic Framework. The Planning Division's work in addressing the need for EIR consultants to prepare required documents for permit processing is designed to support the goals outlined in the Strategic Framework by supporting the department as it enforces regulations that protect residents, as it creates opportunities for improved safety and health, as it encourages new local enterprise and ensures proper operation of markets and as it provides community-appropriate levels of service. The use of professional, qualified planning consultants will allow the department to process applications so that local applicants meet permit requirements .

OTHER AGENCY INVOLVEMENT:

- County Counsel
- Auditor
- Risk Management
- County Administrative Office
- Local, State, and Federal agencies and organizations

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could direct Current Planning Division staff to assume full or significant responsibility for the preparation of the EIR. This alternative is not recommended because the Current Planning Division staff does not have the available expertise to perform the environmental and technical analysis.

ATTACHMENTS:

Attachment 1: Amendment No. 2 to the 3-Party Agreement (in Triplicate)

Attachment 2: Certificates of Insurance for Consultant and Applicant

Attachment 3: Original EIR contract and Amendment No. 1

cc: Consultant – SHN Consulting Engineers, Attention Stein Coriell
Applicant - Humboldt Redwoods Company

Attachment 1

Amendment No. 2 to the 3-Party Agreement (in Triplicate)

AMENDMENT #2

TO THE AGREEMENT FOR PREPARATION OF EIR AND FOR SPECIAL SERVICES BY CONSULTANT UNDER CONTRACT TO COUNTY

This is a second amendment to the three party Agreement (AGREEMENT) between the County of Humboldt, a political subdivision of the State of California (COUNTY), Humboldt Redwood Company ("APPLICANT(S)"), and SHN Consulting Engineers ("CONSULTANT(S)"). Said AGREEMENT was entered into by the three parties on 21st of October, 2014. Amendment #1 to said AGREEMENT was entered into by the three parties on 24th of February, 2015. This Amendment #2 to said AGREEMENT is effective as of

July 19, 2016.

RECITALS

WHEREAS, COUNTY, APPLICANT, and CONSULTANT entered into an agreement for the preparation of a Subsequent Environmental Impact Report to meet the requirements of the California Environmental Quality Act for the Project;

WHEREAS, the parties have determined that in order for CONSULTANT to properly address comments received on the Administrative Draft EIR, the Scope of Services that was attached to the Agreement as Exhibit A must be amended;

WHEREAS, APPLICANT now proposes additional project elements which include demolition of eleven additional structures at the former Eel River Power Plant complex;

WHEREAS, the parties desire to amend the Agreement to expand the Scope of Services so that CONSULTANT may properly address comments received on the Administrative Draft EIR and to address APPLICANT'S proposed additional project elements;

WHEREAS, the parties agree that these additions to the Scope of Services would require revisions to the Schedule for Performance attached to the Agreement as Exhibit B;

WHEREAS, the parties agree that the additions to the Scope of Services would change the estimated cost of services to be provided by CONSULTANT from \$116,850 to \$235,684;

WHEREAS, the parties wish to amend the Agreement to modify Scope of Services and Schedule for Performance; and

WHEREAS, Paragraph 15(e) provides that the Agreement may be amended in a writing signed by the parties.

NOW, THEREFORE, IT IS AGREED as follows:

1. The Scope of Services attached to the Agreement as Exhibit A is hereby amended to include the following tasks:
 - a. CONSULTANTS shall perform research and coordination regarding the applicability of County and FEMA/NFIP flood plain regulations to the subject structures.
 - b. CONSULTANTS shall develop and analyze an additional (hybrid) project alternative requested by County.
 - c. CONSULTANT shall assist APPLICANT in revising its Conditional Use Permit application to include the demolition of eleven additional structures at the former Eel River Power Plant complex. The structures are:
 - i. · Steel Shed
 - ii. · Millwright Building
 - iii. · Machine Shop
 - iv. · Pipe Insulation Building
 - v. · Steamfitters' Building
 - vi. · Conveyors and Towers (called Elevated Conveyors and Supports)
 - vii. · Water Treatment Plant
 - viii. · Knife Hog
 - ix. · Boiler Building
 - x. · Fuel Storage Building
 - xi. · Powerhouse
 - d. CONSULTANT shall prepare an "Engineer's Preliminary Cost Opinion" for implementation of the various project alternatives (including the additional (hybrid) alternative requested by County), for inclusion in the EIR.
 - e. CONSULTANT shall revise the EIR to address and evaluate the demolition of eleven additional structures at the Power Plant complex (enumerated in paragraph c above). This additional analysis will include the following:
 - i. Revise the Historical Resources Assessment to include the additional proposed demolitions.
 - ii. Prepare an additional or revised Structural Condition Evaluation Report to include the additional proposed demolitions.
 - iii. Revise the Engineer's Preliminary Cost Opinion to include the additional proposed demolitions.
 - iv. Revise the greenhouse gas emissions calculation to include the additional proposed demolitions.
2. The third sentence of Paragraph 2(e) of the Agreement is deleted in its entirety and replaced with the following: "The estimated cost of said services by CONSULTANT is approximately \$235,684." In all other respects, that paragraph remains the same.

3. Due to the substantial project changes described herein and associated delays, Exhibit B to the Agreement, Schedule for Performance, is amended to include the following revised schedule which shall commence on the effective date of this Amendment #2:

- Amendment #2 Is Fully Executed Week 0
- Revised Administrative Draft EIR delivered to County Week 17
- Staff Review and Comment of Administrative Draft EIR Week 21
- Modification of Administrative Draft EIR to Reflect County Comments (Resulting in Draft EIR) Week 27
- Public Draft EIR Distributed by County Week 30
- Close of Public Review Period for DEIR Week 37
- Consultant Prepares Response to Public Comments Weeks 37-41
- Final EIR Delivered to County Planning Department Week 41


4. Except as modified herein, or by prior amendment, the October 21, 2014 Agreement shall remain in full force and effect. In the event of a conflict between the provisions of this Amendment and the original Agreement, or any amendments thereto previously executed, the provisions of this Amendment shall govern.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date set forth above.


COUNTY OF HUMBOLDT:

By: 
Designee of the Board of Supervisors
County of Humboldt, State of California

APPLICANT:

By:  DEAN KERSPETTER
Title: EXECUTIVE VP OPERATIONS
Humboldt Redwood Co.

CONSULTANT:

By: 
Title: PRINCIPAL
SHN Consulting Engineers

CONSULTANT:

By: 
Title: PRESIDENT/CEO
SHN Consulting Engineers

Attachment 2

Certificates of Insurance for Consultant and Applicant



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/4/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Van Oppen & Co. 2, Inc. PO Box 793 Teton Village WY 83025	CONTACT NAME: Brenda Todd
	PHONE (A/C, No, Ext): 800-746-0048 FAX (A/C, No): E-MAIL ADDRESS: service@vanoppenco2.com
INSURED SHNCO-1 SHN Consulting Engineers & Geologists, Inc. 812 W. Wabash Eureka CA 95501	INSURER(S) AFFORDING COVERAGE NAIC #
	INSURER A: Beazley - Lloyds 2623/623
	INSURER B: Travelers Indemnity Co. Ct. 25682
	INSURER C: Endurance Risk Solutions 43630
	INSURER D: Travelers Property Casualty Co 25674
	INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 461982336

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CPL(Pollution)	Y Y	W15ED9150201	7/1/2015	7/1/2016	EACH OCCURRENCE \$2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$2,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	Y Y	P-810-9F03256A-TCT-15	7/1/2015	7/1/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
C	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$0		EXC 10004074202	7/1/2015	7/1/2016	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 XS OF GL/AL/EL \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	UB-9F067903-15	7/1/2015	7/1/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L EACH ACCIDENT \$1,000,000 E.L DISEASE - EA EMPLOYEE \$1,000,000 E.L DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liability "Claims Made" Subject to GL Aggregate		W15ED9150201	7/1/2015	7/1/2016	Each Claim \$2,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

RE:HRC EIR 3 Way

The County, its officers, employees and agents are named as Additional Insured for General Liability as required by written contract. Coverage afforded shall be primary and non-contributory and waiver of subrogation applies as required by written contract.

CERTIFICATE HOLDER

Humboldt County Planning & Building Department
3015 H St.
Eureka CA 95501-0000

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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TRAVELERS 

ONE TOWER SQUARE
HARTFORD, CT 06183

**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

ENDORSEMENT WC 00 03 13 (00)-01

POLICY NUMBER: (PJUB-9F06790-3-15)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

DESIGNATED ORGANIZATION:

**ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED
BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS
WAIVER.**

BeazleyOne ENVIRO INSURANCE POLICY

CONTRACTORS POLLUTION LIABILITY, GENERAL LIABILITY, PERSONAL AND ADVERTISING INJURY LIABILITY, ENGINEERS, CONSULTANTS AND CONTRACTORS PROFESSIONAL LIABILITY, TRANSPORTATION POLLUTION LIABILITY, NAMED INSURED LOCATION POLLUTION LIABILITY, NON-OWNED DISPOSAL SITE POLLUTION LIABILITY, TECHNOLOGY BASED SERVICES, TECHNOLOGY PRODUCTS, COMPUTER NETWORK SECURITY, AND PRIVACY LIABILITY INSURANCE

THE COVERAGE UNDER INSURING CLAUSE I.B. IS PROVIDED ON A CLAIMS MADE AND REPORTED BASIS. PLEASE READ CAREFULLY.

These Declarations along with the completed and signed Application and the Policy with endorsements shall constitute the contract between the Insureds and the Underwriters.

Underwriters: Lloyd's Syndicates 623/2623

Policy Number: W15ED9150201

Authority Reference Number: B6012BUSANMSL1501

Item 1. Named Insured: SHN Consulting Engineers & Geologists Inc.

Address: 812 W. Wabash Avenue
Eureka, CA 95501

Item 2. Policy Period:

From: 01-Jul-2015

To: 01-Jul-2016

Both dates at 12:01 a.m. Local Time at the Address stated in Item 1.

Item 3. Limit of Liability:

- (a) \$0 Each Claim - Claims Expenses
- (b) \$2,000,000 Each Claim - Damages
- (c) \$300,000 Each Claim because of Property Damage to any one premises, while rented to the Named Insured, or in the case of damage by fire, while rented to the Named Insured or temporarily occupied by the Named Insured with permission of the owner - includes Claims Expenses.
- (d) \$2,000,000 Aggregate for the Policy Period - includes Claims Expenses

Item 4. **Deductible:** \$50,000 **Each Claim deductible - includes Claims Expenses**

Item 5. **Premium:** \$97,000

Item 6. **Retroactive Date:** 01-Apr-1985

Item 7. **Transportation Pollution Liability Coverage, Named Insured Location Pollution Liability Coverage, and Non-Owned Disposal Site Pollution Liability Coverage Option:**

Included If this box is checked then Insuring Clause I.B.2., I.B.3., and I.B.4. of this Policy shall apply.

Not Included If this box is checked then Insuring Clause I.B.2., I.B.3., and I.B.4. of this Policy shall not apply.

If no box is checked, then Insuring Clause I.B.2., I.B.3., and I.B.4. of this Policy shall not apply.

Technology Based Services, Technology Products, Computer Network Security, and Privacy Liability Insurance Coverage Option:

Purchased If this box is checked then Insuring Clause I.B.5., I.B.6., I.B.7. and I.B.8. of this Policy shall apply.

Not Purchased If this box is checked then Insuring Clause I.B.5., I.B.6., I.B.7. and I.B.8. of this Policy shall not apply.

If no box is checked, then Insuring Clause I.B.5., I.B.6., I.B.7. and I.B.8. of this Policy shall not apply.

Item 8. **Optional Extension Period:**

(a) **Premium for Optional Extension Period:** 100% of the total premium for this Policy

(b) **Length of Optional Extension Period:** 12 Months

Effective date of this Endorsement: 01-Jul-2015

This Endorsement is attached to and forms a part of Policy Number: W15ED9150201

Lloyd's Syndicates 623/2623 referred to in this endorsement as either the "Insurer" or the "Underwriters"

**AMEND INSURED TO INCLUDE OWNERS, LESSEES AND CONTRACTORS -
PRIMARY AND NON-CONTRIBUTORY**

This endorsement modifies insurance provided under the following:

BeazleyOne ENVIRO INSURANCE POLICY

In consideration of the premium charged for the Policy, it is hereby understood and agreed that Clause III, DEFINITIONS Q., "Insured" is amended to include the following person(s) or entity(ies):

solely with respect to Insuring Clause I.A.1. and/or I.A.2., the client for whom the **Named Insured** performs or performed **Contracting Services** and/or with respect to the **Named Insured's Work**, provided that a written contract or agreement is in effect between the **Named Insured** and the client requiring the client to be an additional insured under the **Named Insured's** general liability and/or contractors pollution liability policy. However, such clients are covered under Insuring Clause I.A.1. and/or I.A.2. of this Policy solely with respect to **Damages** and **Claims Expenses** arising from **Contracting Services** performed by or on behalf of the **Named Insured** and/or with respect to the **Named Insured's Work** and are not covered for any **Damages** and **Claims Expenses** arising from the client's own acts, errors or omissions or **Occurrences**. Clients of the **Named Insured** are covered under Insuring Clause I.A.1. and/or I.A.2. of this Policy, subject to Clause IX., only up to and to the extent of the Limits of Liability required by the written contract or agreement.

It is further understood and agreed that the coverage afforded by this Endorsement is primary and non-contributory insurance with respect to liability for **Damages** and **Claims Expenses** for such person(s) or entity(ies).

All other terms and conditions of this Policy remain unchanged.



Authorized Representative

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Page 1 of 1

Effective date of this Endorsement: 01-Jul-2015

This Endorsement is attached to and forms a part of Policy Number: W15ED9150201
Syndicate 2623/823 at Lloyd's referred to in this endorsement as either the "Insurer" or the
"Underwriters"

WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following

Beazley ENVIRO Insurance

In consideration of the premium charged for the Policy it is hereby understood and agreed that Clause
XXI. SUBROGATION is deleted in its entirety and replaced with the following

XXI. SUBROGATION

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the
Insureds' rights of recovery therefore against any person or organization, and the Insured shall
execute and deliver instruments and papers and do whatever else is necessary to secure such
rights. The Insured shall do nothing to prejudice such rights. The Underwriters agree to waive
its rights of recovery against any person or entity for a Claim which is covered pursuant to this
Policy, but only where indemnity or contractual obligation has been provided by the Named
Insured pursuant to a written contract. Any recoveries shall be applied first to subrogation
expenses second to the Named Insured to the extent of any payments in excess of the Limit of
Liability, third to Damages Cleanup Costs and Claims Expenses paid by the Underwriters, and
fourth to the Deductible. Any additional amounts recovered shall be paid to the Named Insured.

All other terms and conditions of this Policy remain unchanged



Authorized Representative

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Page 1 of 1



One Tower Square, Hartford, Connecticut 06183

TRAVELERS CORP. TEL: 1-800-328-2189

COMMON POLICY DECLARATIONS
ISSUE DATE: 07/08/15
POLICY NUMBER: P-810-9F03256A-TCT-15

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT

1. NAMED INSURED AND MAILING ADDRESS:
SHN CONSULTING ENGINEERS
& GEOLOGISTS, INC.
812 W. WABASH
EUREKA, CA 95501-2138

2. POLICY PERIOD: From 07/01/15 to 07/01/16 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS
Premises Bldg.
Loc. No. No. Occupancy Address

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
COMMERCIAL AUTOMOBILE COV PART DECLARATIONS CA TO 01 02 07 TCT

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:
Policy Policy No. Insuring Company

SEE CALCULATION OF PREMIUM
COMPOSITE RATES ENDORSEMENT

DIRECT BILL
7. PREMIUM SUMMARY:
Provisional Premium \$
Due at Inception \$
Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER:
CONTINENTAL INS AGENCY (VX806)
23 INVERNESS WAY EAST STE 120
ENGLEWOOD, CO 80112

COUNTERSIGNED BY:

Authorized Representative

DATE: _____

IL TO 02 11 89 (REV. 09-07) PAGE 1 OF 1
OFFICE: DENVER

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- | | |
|--|--|
| <ul style="list-style-type: none"> A. BROAD FORM NAMED INSURED B. BLANKET ADDITIONAL INSURED C. EMPLOYEE HIRED AUTO D. EMPLOYEES AS INSURED E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS G. WAIVER OF DEDUCTIBLE – GLASS | <ul style="list-style-type: none"> H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT J. PERSONAL PROPERTY K. AIRBAGS L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS M. BLANKET WAIVER OF SUBROGATION N. UNINTENTIONAL ERRORS OR OMISSIONS |
|--|--|

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph c. in A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which

this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph b. in B.5., **Other Insurance**, of SECTION IV – BUSINESS AUTO CONDITIONS:

- b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow, and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your

COMMERCIAL AUTO

permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. EMPLOYEES AS INSURED

The following is added to Paragraph A.1., **Who Is An Insured**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

1. The following replaces Paragraph A.2.a.(2), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

(2) Up to \$3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph A.2.a.(4), of SECTION II – COVERED AUTOS LIABILITY COVERAGE:

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

The following replaces Subparagraph (5) in Paragraph B.7., **Policy Period, Coverage Territory**, of SECTION IV – BUSINESS AUTO CONDITIONS:

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

(i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

(ii) Neither you nor any other involved "insured" will make any settlement without our consent.

(iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

(iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph C., **Limits Of Insurance**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE.

(v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph C., **Limits Of Insurance**, of SECTION II – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

- (d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE - GLASS

The following is added to Paragraph D., **Deductible**, of **SECTION III - PHYSICAL DAMAGE COVERAGE**:

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE - LOSS OF USE - INCREASED LIMIT

The following replaces the last sentence of Paragraph A.4.b., **Loss Of Use Expenses**, of **SECTION III - PHYSICAL DAMAGE COVERAGE**:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$750 for any one "accident".

I. PHYSICAL DAMAGE - TRANSPORTATION EXPENSES - INCREASED LIMIT

The following replaces the first sentence in Paragraph A.4.a., **Transportation Expenses**, of **SECTION III - PHYSICAL DAMAGE COVERAGE**:

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph A.4., **Coverage Extensions**, of **SECTION III - PHYSICAL DAMAGE COVERAGE**:

Personal Property

We will pay up to \$400 for "loss" to wearing apparel and other personal property which is:

- (1) Owned by an "insured", and

- (2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph B.3., **Exclusions**, of **SECTION III - PHYSICAL DAMAGE COVERAGE**:

Exclusion 3.a. does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs A.1.b. and A.1.c., but only:

- a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;
- b. The airbags are not covered under any warranty; and
- c. The airbags were not intentionally inflated.

We will pay up to a maximum of \$1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph A.2.a., of **SECTION IV - BUSINESS AUTO CONDITIONS**:

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

- (a) You (if you are an individual);
- (b) A partner (if you are a partnership);
- (c) A member (if you are a limited liability company);
- (d) An executive officer, director or insurance manager (if you are a corporation or other organization); or
- (e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph A.5., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV - BUSINESS AUTO CONDITIONS**:

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

COMMERCIAL AUTO

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph B.2., **Concealment, Misrepresentation, Or Fraud**, of SECTION IV - BUSINESS AUTO CONDITIONS:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/3/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Woodruff-Sawyer & Co. 50 California Street, Floor 12 San Francisco CA 94111	CONTACT NAME: Brian Holl	
	PHONE (A/C. No., Ext.): 415-391-2141	FAX (A/C. No.): 415-989-9923
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		
INSURER A: Travelers Prop Casualty Co of Ameri		NAIC # 25674
INSURER B: RSUI Indemnity Company		22314
INSURER C: Ironshore Specialty Insurance Compa		25445
INSURER D: Travelers Indemnity Company		25658
INSURER E: Allied World Assurance Company (U S		19489
INSURER F: Navigators Insurance Company		42307

INSURED	MENDFOR-01
Humboldt Redwood Company, LLC P.O. Box 712 Scotia CA 95565	


COVERAGES **CERTIFICATE NUMBER:** 1464006271 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	Y	001996002	4/29/2016	4/29/2017	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$Excluded PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Loggers Broad Form \$1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					
A D D	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY		8107390M479 81086548030 8969L428	4/29/2016 4/29/2016 4/29/2016	4/29/2017 4/29/2017 4/29/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Phys Damage Deduct. \$20,000
	<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> AUTOS					
E F B	<input checked="" type="checkbox"/> UMBRELLA LIAB		03101078 LA18EXC752195IV NHA240128	4/29/2016 4/29/2016 4/29/2016	4/29/2017 4/29/2017 4/29/2017	EACH OCCURRENCE \$35,000,000 AGGREGATE \$35,000,000
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Excess Auto Buffer Layer		NHA240129	4/29/2016	4/29/2017	Limit \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The County of Humboldt, its officers, employees and agents are included as additional insureds per attached endorsement. Insurance is primary.

CERTIFICATE HOLDER	CANCELLATION
County of Humboldt Attn: Michael E. Wheeler, Senior Planer 3015 "H" Street Eureka CA 95501	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 

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IRONSHORE SPECIALTY INSURANCE COMPANY

Mailing Address:
75 Federal Street
5th Floor
Boston, MA 02110
Toll Free: (877) IRON411

Endorsement # 13

Policy Number: 001996001

Effective Date of Endorsement: April 29, 2015

Insured Name: MENDOCINO FOREST PRODUCTS COMPANY LLC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT

- A. **Section II - Who Is An Insured** is amended to include any person or organization you are required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the "occurrence" of the "bodily injury" or "property damage."
- B. The insurance provided to the above described additional insured under this endorsement is limited as follows:
1. **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** only.
 2. The person or organization is only an additional insured with respect to liability arising out of "your work" or "your product" for that additional insured.
 3. In the event that the Limits of Insurance provided by this policy exceed the limits of Insurance required by the written Contract or written agreement, the insurance provided by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance stated in the Declarations pertaining to the coverage provided herein.
 4. The insurance provided to such an additional insured does not apply to "bodily injury" or "property damage" arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:
 - i. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
 5. This insurance does not apply to "bodily injury" or "property damage" arising out of "your work" or "your product" included in the "products-completed operations hazard" unless you are required to provide such coverage by written contract or written agreement and then only for the period of time required by the written contract or written agreement and in no event beyond the expiration date of the policy.
 6. Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance apply on a primary or non-contributory basis.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.



Authorized Representative

April 30, 2015

Date

Attachment 3

Original EIR Contract and Amendment No. 1

**AGREEMENT FOR PREPARATION OF EIR AND FOR SPECIAL SERVICES
BY CONSULTANT UNDER CONTRACT TO COUNTY**

THIS AGREEMENT IS MADE AND ENTERED INTO this 21st day of Oct, 2014 at Eureka, California, by and between the County of Humboldt, a political subdivision of the State of California ("COUNTY"), Humboldt Redwood Company ("APPLICANT(S)"), and SHN Consulting Engineers ("CONSULTANT(S)").

RECITALS

A. This Agreement is authorized and made under the provisions of the California Environmental Quality Act ("CEQA") (Public Resources Code, § 21000 et seq.) and the related CEQA Guidelines (California Code of Regulations, Title 14, chapter 3 (commencing at § 15000)).

B. COUNTY is considering an application submitted by APPLICANT(S) for Demolition of Industrial Structures in the Scotia area, Humboldt County (Project"). COUNTY is the lead agency for the Project and has determined that a Subsequent EIR is required in order to meet the requirements of CEQA.

C. APPLICANT(S) owns or controls the property that is the subject of the Project.

D. APPLICANT(S) desire to have prepared a Subsequent EIR in conformance with CEQA. APPLICANT(S) agree to pay to COUNTY the costs incurred to retain an environmental consulting firm that is fully qualified to perform the work required by this Agreement, and agree to directly pay the consultant costs in preparing a Subsequent EIR. APPLICANT(S) agrees that state law requires the COUNTY to independently review and assess, and, if necessary, to hire appropriate personnel to assist in reviewing and assessing the form and content of all environmental documents submitted, and that COUNTY may reject any report which it finds to be inadequate.

NOW, THEREFORE, IT IS MUTUALLY AGREED as follows:

1. TERM OF AGREEMENT

This Agreement shall remain in full force and effect until all services have been completed and payment therefor made in full, unless terminated sooner pursuant to the terms of this agreement.

2. RESPONSIBILITIES OF APPLICANT

(a) APPLICANT(S) shall pay all costs incurred by the COUNTY to contract with CONSULTANT(S) to perform environmental studies including any required technical studies and shall be responsible for costs which are incurred to prepare a complete draft and final Subsequent EIR which meets the procedural and substantive requirements of CEQA, the CEQA Guidelines, and applicable case law. The work to be performed is described more particularly in Exhibit A, "Scope of Work," attached hereto and incorporated by reference.

(b) APPLICANT(S) shall ensure that its agents or representatives meet and confer with COUNTY staff as may be necessary and appropriate to exchange information and facilitate timely completion of the Subsequent EIR.

(c) APPLICANT(S) shall ensure that its agents or representative, upon oral or written request of COUNTY, will attend any hearing or meeting in which any phase of the Subsequent EIR is to be presented or discussed.

(d) APPLICANT(S) will provide to COUNTY in a timely manner all information necessary to perform the services required by this agreement.

(e) APPLICANT(S) agrees to bear the full cost of all services by COUNTY and CONSULTANTS provided under this agreement. The estimated cost of said services by COUNTY is approximately \$6,506. The estimated cost of said services by CONSULTANT is approximately \$113,949. Commencing with the signing of this agreement by all parties, the COUNTY will submit monthly invoices to the APPLICANT(S) for work performed under this agreement. The APPLICANT(S) agree to pay COUNTY invoices within thirty (30) days.

(f) APPLICANT(S) agree to pay for all actual costs for the processing of the project. This shall include all Subsequent EIR costs and expenses, without exception, regardless of whether they exceed the estimated costs listed in Section 2(e) above.

(g) APPLICANT(S) agree to permit CONSULTANT to enter upon its property and to perform all work thereon as CONSULTANT deems necessary to complete the Subsequent EIR. It is agreed that APPLICANT at no time will interfere with CONSULTANT in the performance of such work or attempt to influence CONSULTANT during the course of their work.

3. RESPONSIBILITIES OF CONSULTANT

Work Tasks:

(a) CONSULTANT(S) shall be responsible for preparing a complete draft and final Subsequent EIR which meets the procedural and substantive requirements of CEQA, the CEQA Guidelines, and applicable case law. The work to be performed is described more particularly in Exhibit A, "Scope of Work," attached hereto and incorporated by reference.

(b) CONSULTANT(S) shall ensure that its agents or representatives meet and confer with COUNTY staff as may be necessary and appropriate to exchange information and facilitate timely completion of the Subsequent EIR.

(c) CONSULTANT(S) shall ensure that its agents or representative, upon oral or written request of COUNTY, will attend any hearing or meeting in which any phase of the Subsequent EIR is to be presented or discussed.

(d) CONSULTANT(S) will provide to COUNTY in a timely manner all information necessary to perform the services required by this agreement.

Key Personnel: CONSULTANT shall provide its services through the Key Personnel listed in Exhibit A. Notwithstanding any provisions in this Agreement to the contrary, CONSULTANT understands and agrees that it may not replace the aforementioned key person(s) without the prior, express written approval of the County

Billing: Commencing with the signing of this agreement by all parties and the payment by the APPLICANT(S) to the COUNTY, CONSULTANT(S) shall begin performing the special services described in Exhibit "A", attached hereto and incorporated herein by reference. CONSULTANT(S) further agrees to:

- (a) Submit monthly invoices for work performed under this agreement directly to the COUNTY, and the COUNTY will pay CONSULTANT(S) invoices within thirty (30) days from the APPLICANT(S)' funds placed on deposit with the COUNTY.
- (b) Maintain accurate accounting records of all direct costs incurred in performing the services required by this agreement and provide APPLICANT(S) with access to said records to the extent necessary for auditing and verifying said costs.

4. RESPONSIBILITIES OF COUNTY

COUNTY shall independently review and assess the form and content of all environmental documents submitted to it, and may reject, in whole or in part, any document which it finds to be substantively or procedurally deficient. This independent review shall be performed as described in Exhibit C attached hereto and incorporated herein. COUNTY may request that CONSULTANT(S) modify or supplement any document which it finds deficient.

Commencing with the signing of this document by all parties, COUNTY (including, but not limited to the Planning and Building Department and County Counsel) shall begin performing the special services described in detail in Exhibit C, attached hereto and incorporated herein by reference.

COUNTY further agrees to maintain accurate accounting records of all direct costs incurred in performing the services required by this agreement and provide APPLICANT(S) with access to said records to the extent necessary for auditing and verifying said costs.

Billing: Commencing with the signing of this agreement by all parties, the COUNTY will submit monthly invoices for work performed under this agreement by CONSULTANT(S) and COUNTY staff to the APPLICANT(S), and the APPLICANT(S) will pay COUNTY invoices within thirty (30) days.

5. WORK PRODUCT/CONFIDENTIALITY

- (a) CONSULTANT(S) will deliver the work products described in Exhibit "A", as well as all reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates and other similar documents directly to the COUNTY'S designated representative. All documents and information prepared or assembled by CONSULTANT under this Agreement shall not be provided to the APPLICANT or any person, association, corporation, or other organization during the term of this Agreement without the prior written consent of the Planning and Building Department.
- (b) All reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates and other similar documents, and work products, whether draft or final

prepared pursuant to this Agreement shall be the exclusive property of the COUNTY. Upon termination of this Agreement and prior to any compensation received from COUNTY for unpaid services, CONSULTANT shall surrender to COUNTY all work product and other documents, whether draft or final, created or assembled pursuant to this Agreement without any reservation of rights therein. CONSULTANT may retain such documents only for so long as COUNTY authorizes such work product to be retained to allow the completion of work as provided in this Agreement. CONSULTANT may retain copies of any documents prepared or obtained by CONSULTANT and designated as public records under the California Public Records Act, and they may be used by CONSULTANT in any manner after this Agreement has been terminated.

- (c) COUNTY shall have the unlimited right to copy, reproduce, excerpt, and cite any and all portions of all reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates and other similar documents, and work products prepared pursuant to this Agreement for application, environmental review, and discretionary permit review and administration purposes.
- (d) In the event APPLICANT prepares or assembles any documents or other information for the EIR and submits it to the CONSULTANT(S) and/or the COUNTY, APPLICANT hereby agrees that subsections (b) and (c) above shall apply to these documents or other information. Additionally, APPLICANT(S) agree that any such information or other documents as described herein are subject to release to the public pursuant to the California Public Records Act once they are submitted to the CONSULTANT(S) and/or the COUNTY.

6. PROJECT ADVISEMENT PROCESS

- (a) It is understood that CONSULTANT shall determine, at the earliest feasible time, those factors which could severely inhibit or prohibit the approval of the proposed Project. Based upon such advice and information, COUNTY shall advise APPLICANT of CONSULTANT's conclusions for the purpose of determining the feasibility of continuing with preparation of the EIR according to CONSULTANT's Scope of Work (Attachment A).
- (b) In the event the APPLICANT elects to withdraw the project application as a result of this advisement, APPLICANT shall comply with the requirements of the Termination clause in Section 11 of this Agreement. Applicant agrees to pay for all work up to the date of termination pursuant to the terms of this Agreement.
- (c) Any documents transmitted to the APPLICANT as part of this advisement process shall not be deemed confidential and must then be released to the public upon request pursuant to the California Public Records Act.

7. COUNTY RELIANCE

Services performed by CONSULTANT under this agreement will be conducted in a manner consistent with that level of care and skill ordinarily expected by members of the profession currently practicing under similar conditions. No other warranty, expressed or implied, is made.

8. TIME OF PERFORMANCE

(a) The execution of this Agreement by COUNTY shall constitute the APPLICANT(S)' and CONSULTANT(S)' authority to proceed immediately with the performance of this Agreement.

(b) All reports and tasks required by this Agreement shall be completed in accordance with the "Schedule for Performance" attached hereto as Exhibit "B", and incorporated herein by reference. The administrative draft EIR shall be submitted to COUNTY within the timeframe described in Exhibit "B" unless the COUNTY consents in writing to an extension.

(c) CONSULTANT(S) shall make its best efforts to meet all deadlines as defined in Exhibit "B". However, for good cause shown in writing by CONSULTANT(S) and served on COUNTY as provided by this Agreement, COUNTY may, in its discretion, extend the time for CONSULTANT(S) to perform any term or condition of this Agreement.

(d) The failure of CONSULTANT(S) to comply with one or more of the milestones set forth in Exhibit "B", if not timely cured, shall constitute non-performance under this Agreement, and may result in termination of this Agreement pursuant to the terms of paragraph 11 of this Agreement.

9. COMPLIANCE WITH LAW

CONSULTANT and APPLICANT agree that in performing services under this contract, CONSULTANT and APPLICANT shall comply with all federal, state and local laws affecting the services covered by this contract.

10. INDEMNIFICATION/HOLD HARMLESS

APPLICANT(S) and CONSULTANT(S) shall indemnify and hold harmless COUNTY and COUNTY'S officers, employees, independent contractors, and agents from and against:

(a) any and all claims, actions, and proceedings relating to:

1. any breach or default in the performance of, or the omission to perform, any obligation imposed upon APPLICANT(S) or CONSULTANT(S) under this Agreement; and/or
2. any negligent act or omission to act by APPLICANT(S) or CONSULTANT(S) or APPLICANT(S)' or CONSULTANT(S) agents, representatives, employees, contractors or subcontractors relating to the performance of, or omission to perform, any term or condition of this Agreement; and/or
3. any litigation challenging the legal sufficiency or adequacy of the EIR that the COUNTY may certify or approve; and

(b) all costs, attorneys' fees, expenses, and liabilities incurred in the defense of any such claim, action, or proceeding brought thereon.

If any such claim, action, or proceeding is brought against COUNTY or COUNTY'S officers, employees, independent contractors, or agents, APPLICANT, upon notice from COUNTY, shall defend the same at APPLICANT(S)' expense by counsel satisfactory to COUNTY as agreed upon by both parties.

COUNTY shall promptly notify APPLICANT(S) of any claim, action, or proceeding against COUNTY or COUNTY'S officers, employees, independent contractors, or agents relating to the performance, or omission to perform, any term or condition of this Agreement, or challenging the EIR. COUNTY shall cooperate fully in the defense of such claim, action or proceeding.

APPLICANT(S) assumes all risk of damage to property or injury to persons resulting from the performance or omission to perform under this Agreement by APPLICANT(S) or APPLICANT(S)' agents, representatives, employees, contractors and subcontractors. APPLICANT(S) hereby waives all claims in respect thereof against COUNTY and COUNTY'S officers, employees, independent contractors, and agents.

CONSULTANT(S) assumes all risk of damage to property or injury to persons resulting from the performance or omission to perform under this Agreement by CONSULTANT(S) or CONSULTANT(S)' agents, representatives, employees, contractors and subcontractors. CONSULTANT(S) hereby waives all claims in respect thereof against COUNTY and COUNTY'S officers, employees, independent contractors, and agents.

11. TERMINATION

- (a) This Agreement may not be terminated by COUNTY except for cause. Cause shall include any breach of this Agreement deemed by COUNTY to be material, and includes the failure of CONSULTANT(S) and/or APPLICANT(S) to comply with one or more of the milestones set forth in Exhibit B. COUNTY shall give at least ten (10) days written notice of its intent to terminate.
- (b) APPLICANT(S) may terminate this Agreement only through withdrawal of application to County for Project by providing ten (10) days written notice to COUNTY.
- (c) APPLICANT(S) agree that upon termination of this Agreement, the pending application for the Project shall be deemed withdrawn, that APPLICANT(S) are responsible for and shall pay any and all outstanding CONSULTANT(S) fees and charges, and COUNTY shall be required to take no further action with respect to the Project.

12. NOTICES

All notices or other communications given hereunder shall be in writing and delivered to the following addresses:

- A. Address(es) for APPLICANT(S):
Dean Kerstetter
Humboldt Redwood Company
P. O. Box 120
Ukiah, CA 95482
Phone: (707) 468-1718

B. Address for COUNTY:

Michael E. Wheeler, Senior Planner
Humboldt County Planning and Building Department
3015 H Street
Eureka, CA 95501

C. Address for CONSULTANT(S)

Stein Coriell
SHN Consulting Engineers
812 W. Wabash Avenue
Eureka, CA 95501
Phone: (707) 441-8855

13. **CONFLICT OF INTEREST**

(a) CONSULTANT represents that CONSULTANT and its officers, employees, agents and subconsultants have no present financial or other conflict of interest that would disqualify any or all of them from entering into and performing services under this Agreement. During the term of this Agreement, CONSULTANT, its officers, employees, agents and subconsultants shall not acquire any financial or other interest that would disqualify any or all of them from performing services under this Agreement. CONSULTANT and any of its subconsultants shall employ no persons in connection with this Agreement who are officers, agents or employees of COUNTY, the APPLICANT, or any other local or regional public agency operating within the boundaries of Humboldt County.

(b) No officer or employee of COUNTY shall have any financial interest in this Agreement in violation of California Government Code Sections 1090 et seq.. COUNTY shall:

1. Compensate its employees and pay its CONSULTANT(S) only from a COUNTY account under the exclusive control of the COUNTY; and
2. Be the direct source of compensation for its employees and the only source of payment to the CONSULTANT(S) with respect to the work performed pursuant to this Agreement;

(c) The following shall be applicable to this Agreement:

1. Any payments pursuant to this Agreement shall not be contingent on the hiring of any specific employee or consultant;
2. Any payments pursuant to this Agreement shall not be dependent upon the COUNTY'S approval or disapproval of the application for the Project or upon the result of any action; and
3. This Agreement shall be a public record of the County.

14. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE

APPLICANT(S) certify by its signature below that APPLICANT(S) or APPLICANT(S)' agents, representatives, employees, contractors and subcontractors are not a Nuclear Weapons Contractor, in that APPLICANT(S) are not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. APPLICANT(S) agree to notify COUNTY immediately if it or APPLICANT(S)' agents, representatives, employees, contractors and subcontractors becomes a nuclear weapons contractor, as defined above. COUNTY may immediately terminate this agreement if it determines that the foregoing certification is false or if APPLICANT(S) or APPLICANT(S)' agents, representatives, employees, contractors and subcontractors becomes a nuclear weapons contractor.

CONSULTANT(S) certify by its signature below that CONSULTANT(S) or CONSULTANT(S)' agents, representatives, employees, contractors and subcontractors are not a Nuclear Weapons Contractor, in that CONSULTANT(S) are not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. CONSULTANT(S) agree to notify COUNTY immediately if it or CONSULTANT(S)' agents, representatives, employees, contractors and subcontractors becomes a nuclear weapons contractor, as defined above. COUNTY may immediately terminate this agreement if it determines that the foregoing certification is false or if CONSULTANT(S) or CONSULTANT(S)' agents, representatives, employees, contractors and subcontractors becomes a nuclear weapons contractor.

15. AMERICANS WITH DISABILITIES ACT COMPLIANCE

CONSULTANT(S) agree to comply with all local, state and federal laws and regulations, including but not limited to the Americans With Disabilities Act. CONSULTANT(S) further agree to comply with any applicable federal, state or local licensing standards, any applicable accrediting standards, and any other applicable standards or criteria established locally or by the state or federal governments.

16. GENERAL PROVISIONS

- (a) Other than the consultants and subconsultants listed in Attachment "A", CONSULTANT(S) shall not assign or otherwise transfer its duties, obligations, or interest under this Agreement without the prior written consent of COUNTY. Any attempted assignment or transfer without such consent shall be void.
- (b) Subject to any provision concerning assignment, all terms and conditions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties thereto and their respective legal representatives, successors and assigns.
- (c) The failure of COUNTY at any time to require performance by CONSULTANT(S) of any of the provisions of this Agreement, shall in no way affect the right of COUNTY thereafter to enforce same nor shall waiver by COUNTY of any breach of any of the provisions under this Agreement be taken or held to be a waiver of any succeeding breach of this Agreement.

- (d) This Agreement contains the entire agreement of the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.
- (e) No amendment of this Agreement shall be valid unless made in writing and signed by the parties.
- (f) Any action to enforce this Agreement shall be governed by the laws of the State of California, and shall be tried in a Court of competent jurisdiction in the County of Humboldt, State of California; and the parties hereby waive all provisions of law providing for a change of venue to any other county or state.

16. **INSURANCE REQUIREMENTS - APPLICANT**

- I. THIS CONTRACT/AGREEMENT SHALL NOT BE EXECUTED BY COUNTY and the APPLICANT is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- II. Without limiting APPLICANT's indemnification provided herein; APPLICANT shall take out and maintain, throughout the period of this Agreement, the following policies of insurance placed with insurers with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of APPLICANT, its agents, employees or subcontractors:
 - A. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$3,000,000 per occurrence. If work involves explosive, underground or collapse risks, XCU must be included. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be \$5,000,000. Said policy shall contain, or be endorsed with, the following provisions:
 - (1) The County, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of APPLICANT. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officers, agents, and employees.
 - (2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to County by mail.
 - (3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

- (4) For claims related to this project, the APPLICANT's insurance is primary coverage to the County, and any insurance or self-insurance programs maintained by the County are excess to APPLICANT's insurance and will not be called upon to contribute with it.
 - (5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to County, its officers, employees, and agents.
- B. Automobile liability insurance with coverage at least as broad as Insurance Services Office form CA 0001 06092, Code 1 (any auto), for vehicles used in the performance of this Agreement with minimum coverage of not less than \$1,000,000 per accident combined single limit (CSL). Such policy shall contain or be endorsed with the provision that coverage shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10-days for non-payment of premium) to COUNTY by certified mail.
 - C. Worker's Compensation and Employer's Liability insurance meeting statutory limits of the California Labor Code which policy shall contain or be endorsed to contain a waiver of subrogation in favor of COUNTY, its officers, agents, and employees and provide for thirty (30) days prior written notice in the event of cancellation.
 - D. APPLICANT shall furnish County with certificates and original endorsements effecting the required coverage prior to execution of this Agreement by County. The endorsements shall be on forms as approved by the County's Risk Manager or County Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by County. If APPLICANT does not keep all required policies in full force and effect, County shall notify APPLICANT in writing and APPLICANT shall have thirty (30) days from the date of written notification to cure such lapse to APPLICANT's reasonable satisfaction. If APPLICANT does not cure such lapse, County may, in addition to other remedies under this Agreement, suspend or terminate this Agreement. All coverages shall be with insurance carriers licensed and admitted to do business in California. All coverages shall be with insurance carriers acceptable to County.

17. INSURANCE REQUIREMENTS - CONSULTANT

- I. THIS CONTRACT/AGREEMENT SHALL NOT BE EXECUTED BY COUNTY and the CONSULTANT is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- II. Without limiting CONSULTANT's indemnification provided herein, CONSULTANT shall take out and maintain, throughout the period of this Agreement, the following policies of insurance placed with insurers with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of CONSULTANT, its agents, employees or subcontractors:

- A. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$3,000,000 per occurrence. If work involves explosive, underground or collapse risks, XCU must be included. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be \$5,000,000. Said policy shall contain, or be endorsed with, the following provisions:
- (1) The County, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officers, agents, and employees.
 - (2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to County by mail.
 - (3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.
 - (4) For claims related to this project, the CONSULTANT's insurance is primary coverage to the County, and any insurance or self-insurance programs maintained by the County are excess to CONSULTANT's insurance and will not be called upon to contribute with it.
 - (5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to County, its officers, employees, and agents.
- B. Automobile liability insurance with coverage at least as broad as Insurance Services Office form CA 0001 06092, Code 1 (any auto), for vehicles used in the performance of this Agreement with minimum coverage of not less than \$500,000 per accident combined single limit (CSL). Such policy shall contain or be endorsed with the provision that coverage shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of premium) to County by certified mail.
- C. CONSULTANT is aware of the provisions of the California Labor Code Section 3700, which requires every employer to be insured against liability for workers' compensation and employer's liability or to undertake self-insurance in accordance with the provisions of that code, and CONSULTANT will comply with provisions of that code before commencing with and during the performance of the work of this contract.
- D. CONSULTANT shall furnish County with certificates and original endorsements effecting the required coverage prior to execution of this Agreement by County. The endorsements shall be on forms as approved by the County's Risk Manager or County Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by County. If CONSULTANT does not keep all required policies in full

force and effect, County shall notify Contractor in writing and CONSULTANT shall have thirty (30) days from the date of written notification to cure such lapse to CONSULTANT's reasonable satisfaction. If CONSULTANT does not cure such lapse, County may, in addition to other remedies under this Agreement, suspend or terminate this Agreement. All coverages shall be with insurance carriers licensed and admitted to do business in California. All coverages shall be with insurance carriers acceptable to County.

18. INSURANCE REQUIREMENTS – SUB-CONSULTANTS


- I. THIS CONTRACT/AGREEMENT SHALL NOT BE EXECUTED BY COUNTY and the CONSULTANT is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- II. Without limiting CONSULTANT's indemnification provided herein, CONSULTANT shall require any of its subcontractors to take out and maintain, throughout the period of this Agreement, the following policies of insurance placed with insurers with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of CONSULTANT, its agents, employees or subcontractors:
 - A. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence. If work involves explosive, underground or collapse risks, XCU must be included. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be \$5,000,000. Said policy shall contain, or be endorsed with, the following provisions:
 - (1) The County, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the County, its officers, agents, and employees.
 - (2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to County by mail.
 - (3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.
 - (4) For claims related to this project, the CONSULTANT's (including Sub-Consultants) insurance is primary coverage to the County, and any insurance or self-insurance programs maintained by the County are excess to

CONSULTANT's or Sub-Consultant's insurance and will not be called upon to contribute with it.

- (5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to County, its officers, employees, and agents.
- B. Automobile liability insurance with coverage at least as broad as Insurance Services Office form CA 0001 06092, Code 1 (any auto), for vehicles used in the performance of this Agreement with minimum coverage of not less than \$500,000 per accident combined single limit (CSL). Such policy shall contain or be endorsed with the provision that coverage shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of premium) to County by certified mail.
- C. CONSULTANT is aware of the provisions of the California Labor Code Section 3700, which requires every employer to be insured against liability for workers' compensation and employer's liability or to undertake self-insurance in accordance with the provisions of that code, and CONSULTANT will comply with provisions of that code before commencing with and during the performance of the work of this contract.
- D. CONSULTANT shall furnish County with certificates and original endorsements effecting the required coverage prior to execution of this Agreement by County. The endorsements shall be on forms as approved by the County's Risk Manager or County Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by County. If CONSULTANT (including Sub-Consultants) does not keep all required policies in full force and effect, County shall notify Contractor in writing and CONSULTANT shall have thirty (30) days from the date of written notification to cure such lapse to CONSULTANT's reasonable satisfaction. If CONSULTANT does not cure such lapse, County may, in addition to other remedies under this Agreement, suspend or terminate this Agreement. All coverages shall be with insurance carriers licensed and admitted to do business in California. All coverages shall be with insurance carriers acceptable to County.

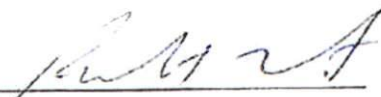
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first written above by their duly authorized representatives, having full authority to so act for and on behalf of the parties hereto.

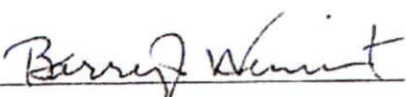
COUNTY OF HUMBOLDT

By 
Chair
Board of Supervisors
County of Humboldt, State of California

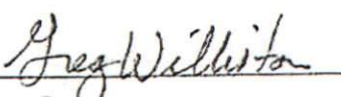
TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:
(1) CHAIRPERSON OF THE BOARD, PRESIDENT OR VICEPRESIDENT; AND
(2) SECRETARY, ASSISTANT SECRETARY, CHIEF FINANCIAL OFFICER, OR TREASURER.

APPLICANT(S)

By 
Title CEO
Humboldt Redwood Company

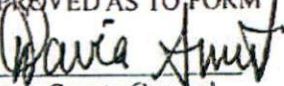
By 
Title SECRETARY
Humboldt Redwood Company

CONSULTANT(S)

By 
Title PRINCIPAL
SHN Consulting Engineers

By 
Title PRESIDENT/CEO
SHN Consulting Engineers

APPROVED AS TO FORM

By 
Deputy County Counsel

APPROVED AS TO INSURANCE PROVISIONS

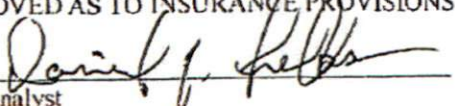
By 
Risk Analyst

EXHIBIT A SCOPE OF SERVICES

For the **Humboldt Redwood Company Demolitions – Subsequent Environmental Impact Report**

Pursuant to agreement reached between Humboldt Redwood Company (Applicant), SHN Consulting Engineers (Consultant), and the County of Humboldt (County), the following Consultant scope of services has been agreed to by the parties. This scope of services describes tasks to be undertaken by the Consultant in preparing documents pursuant to the California Environmental Quality Act (CEQA), for the Humboldt County Conditional Use Permit Application, Case No. CUP-13-013.

1. Administrative Draft EIR

Introduction and Project Alternatives

Consultant will describe the proposed project and discuss project alternatives. CEQA requires that a range of alternatives be evaluated as part of the Subsequent EIR. Consultant will work with County staff to develop and analyze the following potential alternatives:

- Adaptive Re-use
- Relocation
- Stabilization in place with or without modifications
- No-Project Alternative

The Applicant and/or their agent will provide project description information required for the Subsequent EIR directly to the County, including but not limited to maps that identify the location of all proposed demolitions, phasing, grading, and waste disposal. Construction and project emissions information must be provided for quantification of air quality impacts and green house gas emissions as required by CEQA. A list of project objectives shall also be provided to the County by the Applicant and/or their agent. The County will work with the Applicant to insure that the project description and objectives comply with CEQA Guidelines, state law and case law.

Consultant shall immediately notify County in the event Consultant identifies factors which could severely inhibit or prohibit the approval of the proposed Project. This shall occur as early as possible in the CEQA process. Based upon such advice and information, County shall advise Applicant of Consultant's conclusions for the purpose of determining the feasibility of continuing with preparation of the EIR according to Consultant's Scope of Work

Aesthetics and Visual Resources

Potential effects that project development would have on aesthetics and visual resources should be evaluated specifically with respect to potential impacts to the visual character and quality of the site and its surroundings, and the creation of new sources of light or glare.

Agriculture & Forest Resources

Potential impacts to agriculture resources are presumed to be minimal as the project does not involve impacts to these resources. The EIR section will be prepared from the existing information.

Air Quality

The Subsequent EIR should evaluate potential effects that project development would have on air quality. Potential effects include: violation of any air quality standards or if it would result in a cumulatively considerable net increase of any criteria pollutant for which the region is in non-attainment.

Biological Resources Including Wetlands

Potential impacts to biological resources will be evaluated in the Subsequent EIR. The effects of proposed demolition, specifically impacts that may adversely impact sensitive or special status species, nearby nesting birds or roosting bats in the structures to be demolished will be addressed. The EIR will determine if there will be a less than significant impact with incorporation of mitigation measures, with the concurrence of the California Department of Fish and Wildlife (DFW). Consultant will address the specific recommendations of DFW

Cultural and Historic Resources and their Preservation

Based on existing information, a number of the proposed structures to be demolished are contributing historic structures. Also, a referral to NWIC noted that there are archaeological sites within the vicinity of the project area, thus warranting a reconnaissance-level cultural resources survey. The EIR shall contain a full in-depth analysis prepared by an historic resource professional on the potential effects of the project, possible mitigation and evaluation of alternatives.

Geology and Soils

Potential impacts to geology and soils are presumed to be minimal as the project does not involve impacts to these resources. The Subsequent EIR section will be prepared from the existing information.

Green House Gas Emissions

Would the project a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? Short term construction related emissions impacts should be quantified based on equipment, materials, fuels, and duration information provided by the applicant. Long term emissions impacts will be quantified based on vehicle travel and energy use. A qualitative analysis of greenhouse gas emissions should also be provided.

Hazards and Hazardous Material

Would the project a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? h) Expose people or structures to a significant risk of loss, injury or

death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

Hydrology and Water Quality

Potential impacts to hydrology and water quality will be evaluated in the Subsequent EIR. The effects of proposed development, specifically impacts that may violate water quality standards, alter existing drainage patterns, and substantially degrade water quality, will be addressed. This scope assumes that "further analysis" will be prepared by the Applicant's engineer and provided to the County and will address the effectiveness of proposed post-construction stormwater performance criteria and BMPs. These performance criteria and BMPs will be prepared by the Applicant's agent to prevent or reduce non-point source pollution, maintain pre-project runoff volumes, rates and duration. Drainage plans will be provided by the Applicant's agent to the County.

Land Use and Planning

Potential impacts to land use and planning are presumed to be minimal as the project does not involve impacts to these resources. The Subsequent EIR section will be prepared from the existing information.

Mineral Resources

Potential impacts to mineral resources are presumed to be minimal as the project does not involve impacts to these resources. The Subsequent EIR section will be prepared from the existing information.

Noise

The effects of proposed development, specifically impacts on existing noise levels and exposure of people to severe noise levels should be addressed and determined if there is a significant impact. The Subsequent EIR section and mitigation measures will be prepared to include a qualitative analysis of the noise associated with the demolition operation.

Population and Housing

Potential impacts to population and housing are presumed to be minimal as the project does not involve impacts to these resources. The Subsequent EIR section will be prepared from the existing information.

Public Services

The proposed project could have potential effects on public services. The potential effects on fire and police protection, schools, parks, and other public facilities should be addressed.

Recreation

Potential impacts to recreation resources are presumed to be minimal as the project does not involve impacts to these resources. The Subsequent EIR section will be prepared from the existing information.

Transportation and Traffic/Circulation

Potential impacts to traffic, circulation, and parking shall be evaluated in the Subsequent EIR. The effects of proposed development, specifically impacts on vehicular, bicycle and pedestrian

traffic, circulation patterns and demand for parking facilities generated by the proposed development will be addressed. The Subsequent EIR shall determine if there is a less than significant impact with incorporation of mitigation measures.

Utility and Service Systems

The Subsequent EIR should identify potential effects that project development would have on utility and service systems. The potential effects on stormwater runoff should be addressed. System information will be provided by Applicant's agent to the County.

Mandatory Findings of Significance

a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)? c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Alternatives Analysis

Consultant will prepare an alternatives section of the Subsequent EIR consistent with the requirements of CEQA Guidelines §15126.6. The section shall identify, describe and analyze a range of reasonable alternatives to the project which would feasibly attain most of the basic objectives of the project while avoiding or substantially reducing one or more significant impacts of the project. These alternatives will include, at a minimum:

- Adaptive Re-use
- Relocation
- Stabilization in place with or without modifications
- No-Project Alternative

The section will include: (1) a description of each alternative; (2) an analysis of each alternative; a summary matrix; and (3) identification of the "environmentally superior alternative" and why it is the environmentally superior alternative.

The analysis will be qualitative and at a lesser level of detail than for the proposed project as permitted under CEQA. The analysis will cover each of the environmental issues listed in the Initial Study Checklist, and will indicate for each environmental issue whether the impact will be "higher", "lower", or "similar" to that which would occur under the proposed project. The analysis will indicate the extent of the difference in impact between each alternative and the proposed project to the degree possible without doing quantitative analysis.

The analysis will also include a brief discussion of alternatives that were not analyzed because they were discarded at the beginning of the Subsequent EIR process.

Other CEQA Considerations

The Consultant will identify cumulative effects of the proposed project and other past, present, and reasonably foreseeable future projects on wetlands, sensitive habitats and open space. The analysis shall include the effects on the historic character of the community and adjacent contributing historic structures. The cumulative effects of possible demolitions of historic structures on the adjacent Eel River Power property. The cumulative effects of the project on visual resources. The Consultant will identify appropriate mitigation measures and monitoring programs, if any effects are found to exist.

Draft EIR Format

Consultant will prepare an administrative review draft of the Draft Subsequent EIR, to be provided to the County for in-house review. A table of contents is attached to this Scope. The Consultant will deliver one (1) electronic copy in MSWord format of the Administrative Draft Subsequent EIR (ADSEIR) to the County Planning Department.

In the ADEIR, impacts will be judged to be significant according to the following:

- (1) If it can be fairly argued that the project's effects cross a threshold of significance for the categories covered in Appendix G to the CEQA Guidelines, then the effects will be described as significant.
- (2) If the project's effects are such as to appear significant in the professional judgment of the responsible preparer(s), then the effects will be described as significant.

Specific findings supporting each judgment of significance for CEQA documentation purposes will be included in the ADSEIR. In discussing the findings, the ADEIR's authors will explain why the evidence presented in the ADSEIR leads to a finding of significance or a finding that a particular effect is not significant. If it is possible to interpret evidence according to more than one standard (for example, wetland definitions used by DFW and by the U.S. Army Corps of Engineers, the ADSEIR will discuss each standard and the associated findings. In other words, both the analytical framework and the specific evidence used in determining significance will be presented in the ADSEIR. No additional studies are proposed.

3. Public Draft EIR

Following review of the Administrative DSEIR by County staff, including County Counsel and any other technical staff required to adequately review portions of the ADSEIR, modifications in the document may be needed to satisfy concerns which, in the independent judgment of the County, require additional work. After these modifications are completed by the Consultant to the satisfaction of the County, the Consultant will then produce the public and agency review copies of the DSEIR, according to the following scope of work:

- Incorporate necessary revisions provided by County Staff and County Counsel into the DEIR text, figures, tables, and attachments.
- Produce one (1) electronic copy of the Draft SEIR and deliver to County Planning Department's project manager for the county to print and distribute for public review.

The Consultant will prepare for the County's use a Notice of Completion for the Draft SEIR. The Consultant will advise the County upon an appropriate course of action to be followed in order to ensure CEQA compliance. However, the County shall exercise its independent judgment in ensuring all legal requirements of CEQA are satisfied.

4. Final EIR

During the public and agency review period, comments will be made regarding the DSEIR's content and conclusions. Preparing a Final Subsequent EIR (FSEIR) requires a reasoned consideration of all substantive comments (i.e., comments that do not express a preference for or against the project, but which address questions of potential environmental effect). Changes made need to be made to the DSEIR by the Consultant based upon the content of these comments.

The FSEIR is composed of the DSEIR, the comments, and the responses. If a public hearing is held covering the project during the review period, the FSEIR shall address substantive comments from the hearing.

The following scope of services will be performed by the Consultant(s):

- Receive written or transcribed comments on the DSEIR, either from County or directly (to be arranged).
- Prepare written responses and/or SEIR revisions for substantive written comments received regarding the DSEIR.
- Deliver one (1) electronic copy of the administrative Final SEIR to the County Planning Department's project manager(s).
- Following review of the administrative FSEIR by County staff and County Counsel, incorporate necessary revisions in FSEIR responses to comments, text, figures, tables, or attachments.
- Produce one (1) electronic copy of the FSEIR and deliver to County Planning Department's project manager for the county to print and distribute.

It is difficult to predict the number or extent of comments on the DSEIR that may be received. Consultant shall budget 60 hours of staff time for responding to comments and preparing the FSEIR. If comments received require more than the budgeted hours for responses, or if the responses to comments require additional data collection and analysis, a determination of the need for additional data collection and analysis will be made with County staff, with corresponding budget and schedule amendments.

The County will be provided an AFSEIR for in-house review. This internal document will be revised as needed, and the resulting FSEIR shall be submitted for consideration and certification by the County Board of Supervisors. Upon certification of the FEIR by the Board of Supervisors, a Notice of Determination will be prepared by the Consultant pursuant to CEQA Guideline 15094 and devlivered to the County Planning Department Project Manager within two (2) working days of project approval for filing . The Consultant will also prepare findings of fact for consideration by the County.

5. Findings, Statements, Notices and Mitigation Monitoring Program

In coordination with the County, the Consultant shall draft findings, statements (including Statement of Overriding Considerations), and additional notices pursuant to CEQA and draft staff reports for certification of the final SEIR and approval of project permits. In coordination with the County and consistent with the provisions of CEQA and the SEIR, the Consultant shall draft a Mitigation Monitoring Program.

ATTACHMENT – EIR TABLE OF CONTENTS

Executive Summary

- Summary of SEIR Scope, Organization and Process
- Summary Project Description and Description of Alternatives
- Summary of Project Impacts and Mitigation Measures
- Summary of Impacts of Alternatives

Chapter 1. Introduction

- Scope & Organization of the SEIR
- Lead and Responsible Agencies
- SEIR Process

Chapter 2. Project Description

- Introduction
- Project Setting
- Project Characteristics
- Project Objectives
- Required Agency Approvals

Chapter 3. Environmental Setting, Impacts and Mitigation Measures

- Aesthetics
- Agriculture and Forest Resources
- Air Quality
- Biological Resources
- Cultural and Historic Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation and Traffic
- Utilities and Service Systems
- Mandatory Findings of Significance

Chapter 4. Other CEQA Considerations

- Cumulative Impacts
- Growth Inducing Impacts
- Effects Found Not to be Significant

Significant Unavoidable Adverse Impacts

Chapter 5. Description of Alternatives

No Project (No Development)
Relocation Alternative
Adaptive Reuse Alternative
Stabalization in place with or without modifications

Chapter 6. Evaluation of Alternatives

No Project (No Development)
Relocation Alternative
Adaptive Reuse Alternative
Stabalization in place with or without modifications
Environmentally Superior Alternative

Chapter 7. Lead Agency and List of Preparers

Lead Agency & List of Preparers

Chapter 8. References

Literature Cited & Persons Consulted

Appendices

LIST OF KEY PERSONNEL

These key personnel will perform most of the work described in this Scope of Services:

SHN: Stein Coriell
Marty Lay
Greg Hufford
Lisa Stromme

SHN Subconsultants:
Gerry Takano – Historical Resources
Michael Sweeny – EIR Preparation

Humboldt Redwood Company will prepare all biological studies.

EXHIBIT B

Schedule for Performance

For the purposes of this scope of work statement, "week 0" is identified as beginning on the day the County, the Applicant(s), and the Consultant(s) formally enter into an agreement for the preparation of an SEIR. The Consultant shall anticipate the following milestones:

- | | |
|---|--------------------|
| <i>- Text and Graphical Material for NOP approved by County</i> | <i>Done</i> |
| <i>- County Issues NOP</i> | <i>Done</i> |
| <i>- Response Period for NOP Closes</i> | <i>Done</i> |
| <i>- Administrative Draft EIR Delivered to County Planning Department</i> | <i>Week 17</i> |
| <i>- Staff Review and Comment of Draft EIR</i> | <i>Week 20</i> |
| <i>- Modification of Draft EIR to Reflect County Comments</i> | <i>Week 22</i> |
| <i>- Public Draft EIR Distributed</i> | <i>Week 25</i> |
| <i>- Close of Public Review Period for DEIR</i> | <i>Week 32</i> |
| <i>- Consultant Prepares Response to Public Comments</i> | <i>Weeks 32-36</i> |
| <i>- Final EIR Delivered to County Planning Department</i> | <i>Week 36</i> |

This schedule shall be considered by the Consultant to be a working schedule. Adherence to this schedule will depend on prompt responses by all parties to submittal requirements, requests for information and filing of required notices, among other provisions. Ultimately, the schedule will be dictated by the content and analysis contained in the document and a determination by the County that it reflects the independent judgment of the County.

EXHIBIT C

AGREEMENT FOR SPECIAL SERVICES

The Humboldt County Planning and Building Department will provide personnel services to administer the Agreement for the Preparation by Applicant of Subsequent EIR for the Scotia Mill Building Demolition Project (herein referred to as Project).

The following special services are included but not limited to:

1.	Administering the agreement for preparation of the draft EIR by applicant's consultant	6.0	hrs
2.	Reviewing and assembling comments for the administrative draft EIR	8.0	hrs
3.	Reviewing the administrative draft EIR	10.0	hrs
4.	Arranging and administering public workshops and/or hearings on the draft EIR	4.0	hrs
5.	Filing all required notices and documents with the State Clearinghouse	5.0	hrs
6.	Reviewing and assembling comments for the final EIR	7.0	hrs
7.	Reviewing the responses to comments on the final EIR	7.0	hrs
8.	Presenting the final EIR for approval: a) to the Planning Commission b) to the Board of Supervisors, if required	10.0	hrs
9.	Miscellaneous Tasks (including consultation and coordination)*	<u>8.0</u>	<u>hrs</u>
		65.0	hrs

Senior Planner	42.0 hrs	@	\$	75.62	=	\$	3,176
Supervising Planner	10.0 hrs	@	\$	93.60	=	\$	936
Planning Director	3.0 hrs	@	\$	120.47	=	\$	361
County Counsel	10.0 hrs	@	\$	122.00	=	\$	<u>1,220</u>
Total Staff Cost						\$	5,693
Contingency				15%		\$	<u>813</u>
Total Estimated Services						\$	<u>6,506</u>

* Estimate assumes Applicant's Consultant will perform standard clerical tasks such as photocopying, printing, mailings and distribution.

AMENDMENT #1

**TO THE AGREEMENT FOR PREPARATION OF EIR AND FOR SPECIAL SERVICES
BY CONSULTANT UNDER CONTRACT TO COUNTY**

This is an amendment to the three party Agreement (AGREEMENT) between the County of Humboldt, a political subdivision of the State of California (COUNTY), Humboldt Redwood Company ("APPLICANT(S)"), and SHN Consulting Engineers ("CONSULTANT(S)"). Said AGREEMENT was entered into by the three parties on 21st of October, 2014. This Amendment #1 to said AGREEMENT is effective as of 2-24-15.

CONSULTANTS have determined that a more rigorous quantitative analysis of greenhouse gas (GHG) emissions is necessary than was anticipated. CONSULTANTS propose to utilize Illingworth & Rodkin Inc. as an additional sub-consultant to compute GHG emissions and provide a formal technical study with emissions evaluation (including "Optional Report" in their proposal). This additional analysis has affected the EIR costs, but not the scope and schedule.

NOW THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. CONSULTANTS will engage the services of Illingworth & Rodkin Inc. to execute the proposed analysis described in Exhibit A (Humboldt Redwood Company Demolition Project Construction GHG Emission Calculations).
2. The CONSULTANT costs for this agreement, due to the additional work of GHG analysis, are increased by \$2,901 from the original amount of \$113,949, for a total cost of \$116,850.
3. The Schedule for Performance shall remain as described in the AGREEMENT.

COUNTY OF HUMBOLDT:

By: *River R. Hambley*
Designee of the Board of Supervisors
County of Humboldt, State of California

APPLICANT:

By: *DJK*
Title: VP OPERATIONS
Humboldt Redwood Co.

CONSULTANT:

By: *Meg Williston*
Title: Principal
SHN Consulting Engineers

CONSULTANT:

By: *Jeff Allen*
Title: President/CEO
SHN Consulting Engineers

APPROVED AS TO FORM BY COUNTY COUNSEL: _____