

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
RICONDO & ASSOCIATES, INC.
FOR FISCAL YEARS 2026-2027 THROUGH December 31, 2027**

This Agreement, entered into this [REDACTED] day of [REDACTED], 2026, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Ricondo & Associates, Inc., an Illinois corporation, a consulting firm that specializes exclusively in the aviation and airport industry, hereinafter referred to as "CONSULTANT," is made upon the following considerations:

WHEREAS, COUNTY, by and through its Department of Aviation, desires to retain a qualified professional to provide Passenger Facility Charge (PFC) program reconciliation, application amendments and application closeout; and

WHEREAS, such work involves the performance of professional, expert and technical services of a temporary and occasional character; and

WHEREAS, COUNTY has no employees available to perform such services and is unable to hire employees for the performance thereof for the temporary period; and

WHEREAS, CONTRACTOR represents that it is adequately trained, skilled, experienced and qualified to perform the PFC program reconciliation services required by COUNTY.

NOW THEREFORE, the parties hereto mutually agree as follows:

1. DESCRIPTION OF SERVICES:

CONTRACTOR hereby agrees to provide the services described in Exhibit A – Scope of Services, which is attached hereto and incorporated herein by reference as if set forth in full. In providing such services, CONTRACTOR agrees to fully cooperate with the Director of Aviation, or a designee thereof.

2. TERM:

This Agreement shall begin upon execution by both parties and shall remain in full force and effect until December 31, 2027, unless extended by a valid amendment hereto or sooner terminated as set forth herein.

3. TERMINATION:

A. Termination for Cause. COUNTY may, in its sole discretion, immediately terminate this Agreement, if CONTRACTOR fails to adequately perform the services required hereunder, fails to comply with the terms or conditions set forth herein, or violates any local, state or federal law, regulation or standard applicable to its performance hereunder.

B. Termination without Cause. COUNTY may terminate this Agreement without cause upon thirty (30) days advance written notice which states the effective date of the termination.

- C. Termination due to Insufficient Funding. COUNTY's obligations under this Agreement are contingent upon the availability of local, state and/or federal funds. In the event such funding is reduced or eliminated, COUNTY shall, at its sole discretion, determine whether this Agreement shall be terminated. COUNTY shall provide CONTRACTOR seven (7) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- D. Compensation upon Termination. In the event this Agreement is terminated, CONTRACTOR shall be entitled to compensation for uncompensated services provided pursuant to the terms and conditions set forth herein through and including the effective date of such termination. However, this provision shall not limit or reduce any damages owed to COUNTY due to a breach of this Agreement by CONTRACTOR.

4. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for any and all services provided, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is Ninety-two thousand nine hundred and eighty dollars (\$92,980.00). In no event shall the maximum amount paid under this Agreement exceed Ninety-two thousand nine hundred and eighty dollars (\$92,980.00) for fiscal year 2026-2027 through December 31, 2027. CONTRACTOR hereby agrees to perform any and all services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable hereunder or terminate this Agreement as set forth herein.
- B. Schedule of Rates. The specific rates and costs applicable to this Agreement are set forth in Exhibit B – Schedule of Rates, which is attached hereto and incorporated herein by reference as if set forth in full.
- C. Additional Services. Any additional services not otherwise set forth herein shall not be provided by CONTRACTOR, or compensated by COUNTY, without COUNTY's prior written authorization. Any and all unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY, in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.

5. PAYMENT:

CONTRACTOR shall submit to COUNTY monthly invoices substantiating the costs and expenses incurred pursuant to the terms and conditions of this Agreement no later than thirty (30) days after the end of each month in which services are provided hereunder. CONTRACTOR shall submit a final invoice for payment within thirty (30) days following the expiration or termination of this Agreement. Invoices shall be prepared using a format that is substantially similar to Exhibit C – Sample Invoice Form, which is attached hereto and incorporated herein by reference as if set forth in full. Payment for any and all costs and expenses incurred pursuant to the terms and conditions of this Agreement shall be made within thirty (30) days after the receipt of approved invoices. Any and all invoices submitted pursuant to the terms and conditions of this Agreement shall be sent to COUNTY electronically at the following address:

COUNTY:

Department of Aviation
Attention: Director of Aviation

3561 Boeing Avenue
McKinleyville, CA 95519
Aviation@co.humboldt.ca.us

6. NOTICES:

Any and all notices required to be given pursuant to the terms and conditions of this Agreement shall be in writing and either served personally or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY:

Department of Aviation
Attention: Director of Aviation
3561 Boeing Avenue
McKinleyville, CA 95519

CONTRACTOR:

Ricondo & Associates, Inc.
200 North LaSalle Street, Suite 2900
Chicago, IL 60601

7. REPORTS:

CONTRACTOR hereby agrees to provide COUNTY with any and all reports that may be required by any local, state and/or federal agencies for compliance with this Agreement. CONTRACTOR shall submit one (1) hard copy and one (1) electronic copy of any and all reports required pursuant to the terms and conditions of this Agreement in a format that complies with the Americans with Disabilities Act and any other applicable local, state and federal accessibility laws, regulations and standards. Any and all reports required pursuant to the terms and conditions of this Agreement shall be submitted in accordance with any and all applicable timeframes using the format required by the State of California as appropriate.

8. RECORD RETENTION AND INSPECTION:

A. Maintenance and Preservation of Records. CONTRACTOR hereby agrees to timely prepare accurate and complete financial, performance and payroll records, documents and other evidence relating to the services provided pursuant to the terms and conditions of this Agreement, and to maintain and preserve said records for at least three (3) years from the date of final payment hereunder, except that if any litigation, claim, negotiation, audit or other action is pending, the records shall be retained until completion and resolution of all issues arising therefrom. Such records shall be original entry books with a general ledger itemizing all debits and credits for the services provided pursuant to the terms and conditions of this Agreement.

B. Inspection of Records. Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of CONTRACTOR, and its subcontractors, related to the services provided pursuant to the terms and conditions of this Agreement, shall be subject to the examination and audit of the California State Auditor and any other duly authorized agents of the State of California for a period of three (3) years after the date of final payment hereunder. CONTRACTOR hereby agrees to make all such records available during normal business hours to inspection, audit and reproduction by COUNTY and any other duly authorized local, state and/or federal agencies. CONTRACTOR further agrees to allow

interviews of any of its employees who might reasonably have information related to such records by COUNTY and any other duly authorized local, state and/or federal agencies. Any and all examinations and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, without limitation, the costs associated with the administration of this Agreement.

- C. Audit Costs. In the event of an audit exception or exceptions related to the services provided pursuant to the terms and conditions of this Agreement, the party responsible for not meeting the requirements set forth herein shall be responsible for the deficiency and for the cost of the audit. If the allowable expenditures cannot be determined because CONTRACTOR's documentation is nonexistent or inadequate, according to generally accepted accounting practices, the questionable cost shall be disallowed by COUNTY.

9. MONITORING:

CONTRACTOR hereby agrees that COUNTY has the right to monitor any and all activities related to this Agreement, including, without limitation, the right to review and monitor CONTRACTOR's records, policies, procedures and overall business operations, at any time, in order to ensure compliance with the terms and conditions of this Agreement. CONTRACTOR shall cooperate with a corrective action plan, if deficiencies in CONTRACTOR's records, policies, procedures or business operations are identified by COUNTY. However, COUNTY is not responsible, and shall not be held accountable, for overseeing or evaluating the adequacy of CONTRACTOR's performance hereunder.

10. CONFIDENTIAL INFORMATION:

- A. Disclosure of Confidential Information. In the performance of this Agreement, CONTRACTOR may receive information that is confidential under local, state or federal law. CONTRACTOR hereby agrees to protect any and all confidential information obtained pursuant to the terms and conditions of this Agreement in accordance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards, including, without limitation: Division 19 of the California Department of Social Services Manual of Policies and Procedures – Confidentiality of Information; California Welfare and Institutions Code Sections 827, 5328, 10850 and 14100.2; California Health and Safety Code Sections 1280.15 and 1280.18; the California Information Practices Act of 1977; the California Confidentiality of Medical Information Act ("CMIA"); the United States Health Information Technology for Economic and Clinical Health Act ("HITECH Act"); the United States Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and any current and future implementing regulations promulgated thereunder, including, but not limited to, the Federal Privacy Regulations contained in Title 45 of the Code of Federal Regulations ("C.F.R.") Parts 160 and 164, the Federal Security Standards contained in 45 C.F.R. Parts 160, 162 and 164 and the Federal Standards for Electronic Transactions contained in 45 C.F.R. Parts 160 and 162, all as may be amended from time to time.

- B. Continuing Compliance with Confidentiality Requirements. Each party hereby acknowledges that local, state and federal laws, regulations and standards pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party hereby agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with the requirements of HIPAA, the HITECH Act, the CMIA and any other applicable local, state and federal laws, regulations or standards.

11. NON-DISCRIMINATION COMPLIANCE:

- A. Professional Services and Employment. In connection with the execution of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate in the provision of professional services or against any employee or applicant for employment because of: race; religion or religious creed; color; age, over forty (40) years of age; sex, including, without limitation, gender identity and expression, pregnancy, childbirth and related medical conditions; sexual orientation, including, without limitation, heterosexuality, homosexuality and bisexuality; national origin; ancestry; marital status; medical condition, including, without limitation, cancer and genetic characteristics; mental or physical disability, including, without limitation, HIV status and AIDS; political affiliation; military service; denial of family care leave; or any other classifications protected by any and all applicable local, state or federal laws, regulations or standards, all as may be amended from time to time. Nothing herein shall be construed to require the employment of unqualified persons.
- B. Compliance with Anti-Discrimination Laws. CONTRACTOR further assures that it, and its subcontractors, will abide by the applicable provisions of: Title VI and Title VII of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Food Stamp Act of 1977; Title II of the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; California Civil Code Sections 51, *et seq.*; California Government Code Sections 4450, *et seq.*; California Welfare and Institutions Code Section 10000; Division 21 of the California Department of Social Services Manual of Policies and Procedures; United States Executive Order 11246, as amended and supplemented by United States Executive Order 11375 and 41 C.F.R. Part 60; and any other applicable local, state or federal laws, regulations or standards, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing Commission implementing California Government Code Section 12990, set forth in Sections 8101, *et seq.* of Title 2 of the California Code of Regulations are incorporated herein by reference as if set forth in full.

12. NUCLEAR-FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this Agreement, CONTRACTOR certifies that it is not a Nuclear Weapons Contractor, in that CONTRACTOR is 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. CONTRACTOR hereby agrees to notify COUNTY immediately if it 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 CONTRACTOR subsequently becomes a Nuclear Weapons Contractor.

13. DRUG-FREE WORKPLACE CERTIFICATION:

By executing this Agreement, CONTRACTOR certifies that it will provide a drug-free workplace in accordance with the requirements of the Drug-Free Workplace Act of 1990 (California Government Code Sections 8350, *et seq.*), by doing all of the following:

- A. Drug-Free Policy Statement. Publish, as required by California Government Code Section 8355(a)(1), a Drug-Free Policy Statement which notifies employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited, and specifies the actions to be taken against employees for violations.

- B. Drug-Free Awareness Program. Establish, as required by California Government Code Section 8355(a)(2), a Drug-Free Awareness Program which informs employees about:
 - 1. The dangers of drug abuse in the workplace;
 - 2. CONTRACTOR's policy of maintaining a drug-free workplace;
 - 3. Any available counseling, rehabilitation and employee assistance programs; and
 - 4. Penalties that may be imposed upon employees for drug abuse violations.
- C. Drug-Free Employment Agreement. Ensure, as required by California Government Code Section 8355(a)(3), that every employee who provides services hereunder shall:
 - 1. Receive a copy of CONTRACTOR's Drug-Free Policy Statement; and
 - 2. Agree to abide by CONTRACTOR's Drug-Free Policy as a condition of employment.
- D. Effect of Non-Compliance. Failure to comply with the requirements set forth herein may result in termination of this Agreement and/or ineligibility for award of future contracts.

14. INDEMNIFICATION:

- A. Hold Harmless, Defense and Indemnification. CONTRACTOR shall hold harmless, defend and indemnify COUNTY and its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages, liabilities, costs and expenses of any kind or nature, including, without limitation, attorney's fees and other costs of litigation, arising out of, or in connection with, CONTRACTOR's negligent performance of, or failure to comply with, any of the duties and/or obligations contained herein, except such loss or damage which was caused by the sole negligence or willful misconduct of COUNTY.
- B. Effect of Insurance. Acceptance of the insurance required by this Agreement shall not relieve CONTRACTOR from liability under this provision. This provision shall apply to all claims for damages related to CONTRACTOR's performance hereunder, regardless of whether any insurance is applicable or not. The insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided hereunder.

15. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by COUNTY, and CONTRACTOR is not entitled to any rights hereunder, unless certificates of insurance, or other sufficient proof that the following provisions have been complied with, are received by the Humboldt County Risk Manager or a designee thereof.

- A. General Insurance Requirements. Without limiting CONTRACTOR's indemnification obligations set forth herein, CONTRACTOR, and its subcontractors hereunder, shall take out and maintain, throughout the entire term of this Agreement, and any extensions thereof, the following policies of insurance, placed with insurers authorized to do business in the State of California with a current A.M. Bests rating of no less than A: VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities of CONTRACTOR or its agents, officers, directors, employees, licensees, invitees,

assignees or subcontractors:

1. 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 Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, without limitation, personal injury, death and property damage. If a general aggregate limit is used, such limit shall apply separately hereto or shall be twice the required occurrence limit.
 2. As stated in Exhibit A – Scope of Services, CONTRACTOR will not drive an automobile in the performance of the services provided pursuant to the terms and conditions of this Agreement. If CONTRACTOR's responsibilities are changed in such a way that driving will be required during the performance of the services set forth herein, CONTRACTOR shall take out and maintain Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all owned, hired and non-owned vehicles, and be at least as broad as Insurance Service Offices Form Code 1 (any auto).
 3. Workers' Compensation Insurance, as required by the California Labor Code, with statutory limits, and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Said policy shall contain, or be endorsed to contain, a waiver of subrogation against COUNTY and its agents, officers, officials, employees and volunteers.
 4. Professional Liability Insurance – Error and Omission Coverage including coverage in an amount no less than Two Million Dollars (\$2,000,000.00) for each occurrence (Four Million Dollars (\$4,000,000.00) general aggregate). Said insurance shall be maintained for the statutory period during which CONTRACTOR may be exposed to liability regarding the services provided pursuant to the terms and conditions of this Agreement. CONTRACTOR shall require that such coverage be incorporated into its professional services agreements with any other entities.
 5. Cyber Liability Insurance with limits not less than Two Million Dollars (\$2,000,000.00) per occurrence or claim (Two Million Dollars (\$2,000,000.00) aggregate). Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by CONTRACTOR in this Agreement and shall include, without limitation, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including, but not limited to, infringement of copyright, trademark, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information and alteration of electronic information. Such policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses.
- B. Special Insurance Requirements. Said policies shall, unless otherwise specified herein, be endorsed with the following provisions:
1. The Comprehensive or Commercial General Liability Policy shall provide that COUNTY, and its agents, officers, officials, employees and volunteers, 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 COUNTY or its agents, officers, officials, employees and volunteers. Said policy shall also contain a provision stating that such coverage:

- a. Includes contractual liability.
 - b. Does not contain exclusions as to property damage caused by explosion or collapse of structures or underground damage, referred to as "XCU Hazards."
 - c. Is the primary insurance with regard to COUNTY.
 - d. Does not contain a pro-rata, excess only and/or escape clause.
 - e. Contains a cross liability, severability of interest or separation of insureds clause.
2. The above-referenced policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to COUNTY in accordance with the notice requirements set forth herein. It is further understood that CONTRACTOR shall not terminate such coverage until COUNTY receives adequate proof that equal or better insurance has been secured.
 3. The inclusion of more than one (1) insured shall not operate to impair the rights of one (1) 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 (1) insured shall not operate to increase the limits of the insurer's liability.
 4. For claims related to this Agreement, CONTRACTOR's insurance is the primary coverage to COUNTY, and any insurance or self-insurance programs maintained thereby are excess to CONTRACTOR's insurance and will not be used to contribute therewith.
 5. Any failure to comply with the terms and conditions of this Agreement shall not affect the coverage provided to COUNTY or its agents, officers, officials, employees and volunteers.
 6. CONTRACTOR shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement. The endorsements shall be on forms approved by the Humboldt County Risk Manager. Any deductible or self-insured retention over One Hundred Thousand Dollars (\$100,000.00) shall be disclosed to, and approved by, COUNTY. If CONTRACTOR does not keep all required policies in full force and effect, COUNTY may, in addition to any other available remedies, take out the necessary insurance and deduct the cost of said insurance from the monies owed to CONTRACTOR under this Agreement.
 7. COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered, and CONTRACTOR shall be required to purchase additional coverage to meet the above-referenced aggregate limits.

C. Insurance Notices. Any and all notices regarding the insurance required pursuant to the terms and conditions of this Agreement shall be sent to the addresses set forth below in accordance with the notice requirements contained herein.

COUNTY: County of Humboldt
Attention: Risk Management

825 Fifth Street, Room 131
Eureka, California 95501

CONTRACTOR:

Ricondo & Associates, Inc.
200 North LaSalle Street, Suite 2900
Chicago, IL 60601
EMAIL

16. RELATIONSHIP OF PARTIES:

It is understood that this Agreement is by and between two (2) independent entities and is not intended to, and shall not be construed to, create the relationship of agents, servant, employee, partnership, joint venture or any other similar association. Each party hereby agrees that CONTRACTOR shall not be entitled to any benefits to which COUNTY employees are entitled, including, without limitation, overtime, retirement, leave or workers' compensation benefits. CONTRACTOR shall be solely responsible for the acts and omissions of its agents, officers, employees, assignees and subcontractors.

17. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND STANDARDS:

- A. General Legal Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal laws, regulations, policies, procedures and standards applicable to the services provided pursuant to the terms and conditions of this Agreement.
- B. Licensure Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal licensure, certification and accreditation standards applicable to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation, the business licensure requirements set forth in Section 811-6(b) of the Humboldt County Code.
- C. Accessibility Requirements. CONTRACTOR hereby agrees to comply with any and all applicable accessibility requirements set forth in the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, as amended, California Government Code Section 11135 and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, the federal accessibility standards set forth in 36 C.F.R. Section 1194.1, all as may be amended from time to time.
- D. Conflict of Interest Requirements. CONTRACTOR hereby agrees to comply with any and all applicable conflict of interest requirements set forth in the California Political Reform Act and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, COUNTY's Conflict of Interest Code, all as may be amended from time to time.

18. PROVISIONS REQUIRED BY LAW:

This Agreement is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the terms, conditions or funding of this Agreement. This Agreement shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or incorrectly stated, the parties agree to amend the pertinent section to make such insertion or correction.

19. REFERENCE TO LAWS, REGULATIONS AND STANDARDS:

In the event any law, regulation or standard referred to herein is amended during the term of this Agreement, the parties agree to comply with the amended provision as of the effective date of such amendment.

20. PROTOCOLS:

Each party hereby agrees that the inclusion of additional protocols may be required to make this Agreement specific. All such protocols shall be negotiated, determined and agreed upon by each of the parties hereto.

21. SEVERABILITY:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

22. ASSIGNMENT:

Neither party shall delegate its duties or assign its rights hereunder, either in whole or in part, without the other party's prior written consent. Any assignment by CONTRACTOR in violation of this provision shall be void, and shall be cause for immediate termination of this Agreement. This provision shall not be applicable to service agreements or other arrangements usually or customarily entered into by either party to obtain supplies, technical support or professional services.

23. AGREEMENT SHALL BIND SUCCESSORS:

All provisions of this Agreement shall be fully binding upon, and inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

24. WAIVER OF DEFAULT:

The waiver by either party of any breach of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement which may then exist on the part of CONTRACTOR. Nor shall such payment impair or prejudice any remedy available to COUNTY with respect to the breach or default. COUNTY shall have the right to demand repayment of, and CONTRACTOR shall promptly refund, any funds which COUNTY determines were not expended in accordance with the terms and conditions of this Agreement.

25. NON-LIABILITY OF COUNTY OFFICIALS AND EMPLOYEES:

No official or employee of COUNTY shall be personally liable for any default or liability under this Agreement.

26. AMENDMENT:

This Agreement may be amended at any time during the term hereof upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless

made in writing and signed by authorized representatives of the parties hereto.

27. STANDARD OF PRACTICE:

CONTRACTOR warrants that it has the degree of learning and skill ordinarily possessed by reputable professionals practicing in similar localities in the same profession and under similar circumstances. CONTRACTOR's duty is to exercise such care, skill and diligence as professionals engaged in the same profession ordinarily exercise under like circumstances.

28. TITLE TO INFORMATION AND DOCUMENTS:

It is understood that any and all documents, information and reports concerning the subject matter of this Agreement prepared and/or submitted by CONTRACTOR shall become the property of COUNTY. However, CONTRACTOR may retain copies of such documents, information and reports for its records. In the event this Agreement is terminated, for any reason whatsoever, CONTRACTOR shall promptly turn over all such documents, information and reports to COUNTY without exception or reservation.

29. USE OF ARTIFICIAL INTELLIGENCE TOOLS:

CONTRACTOR, and its agents, officers, directors, employees, licensees, invitees, assignees and subcontractors, may use generative artificial intelligence ("AI") tools in performing services under this Agreement only in a manner consistent with any and all applicable local state and federal laws, regulations, policies, procedures, standards and contractual requirements. CONTRACTOR, and its agents, officers, directors, employees, licensees, invitees, assignees and subcontractors, shall not input, upload, or disclose any confidential, proprietary, or personally identifiable information into AI tools without COUNTY's prior written authorization. CONTRACTOR shall use generative AI tools only through enterprise or subscription-based platforms that provide contractual confidentiality protections, and shall not use free, public or consumer-grade AI services, in order to ensure that confidential, sensitive, draft or deliberative-process information is not disclosed, stored or made available to third parties or the general public. Any and all AI-generated content used in connection with the services provided pursuant to the terms and conditions of this Agreement must be independently reviewed by qualified personnel for accuracy, completeness, and appropriateness. CONTRACTOR remains fully responsible for all work products, regardless of whether AI tools were used. CONTRACTOR shall clearly disclose when AI tools were used to create, review or edit any draft or document submitted to COUNTY, and final work products in which AI played a significant role shall include a disclosure substantially in the following form: "Generated in part using [Generative AI Platform] and independently reviewed by [Name], [Title], on behalf of [Contractor]." COUNTY may limit or prohibit the use of AI tools at any time and may require CONTRACTOR to revise or replace any AI-generated content. CONTRACTOR shall be liable for any and all claims, demands, losses, damages, liabilities, costs and expenses arising from its use or misuse of AI tools, including, without limitation, confidentiality breaches, intellectual property violations or inaccuracies in AI-generated content.

30. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

31. ADVERTISING AND MEDIA RELEASE:

Any and all informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, without limitation, television, radio, newspapers and internet. CONTRACTOR shall inform COUNTY of any and all requests for interviews by the media related to this Agreement before such interviews take place. COUNTY shall be entitled to have a representative present at any and all interviews concerning the subject matter of this Agreement. Any and all notices required by this provision shall be given to Director of Aviation in accordance with the notice requirements set forth herein.

32. SUBCONTRACTS:

CONTRACTOR shall obtain prior written approval from COUNTY before subcontracting any of the services to be provided pursuant to the terms and conditions of this Agreement. Any and all subcontracts shall be subject to all applicable terms and conditions of this Agreement, including, without limitation, the licensing, certification, privacy, security and confidentiality requirements set forth herein. CONTRACTOR shall remain legally responsible for the performance of all terms and conditions of this Agreement, including, without limitation, any and all services provided by third parties under subcontracts, whether approved by COUNTY or not.

33. ATTORNEYS' FEES:

If either party shall commence any legal action, including, without limitation, an action for declaratory relief, against the other by reason of the alleged failure of the other to perform any of its obligations hereunder, the party prevailing in said action shall be entitled to recover court costs and reasonable attorneys' fees, including, but not limited to, the reasonable value of services rendered by the Humboldt County Counsel's Office, to be fixed by the court, and such recovery shall include court costs and attorneys' fees on appeal, if applicable. As used herein, the term "prevailing party" means the party who dismisses an action in exchange for payment of substantially all sums allegedly due, performance of provisions allegedly breached, or other considerations substantially equal to the relief sought by said party, as well as the party in whose favor final judgment is rendered.

34. SURVIVAL OF PROVISIONS:

The duties and obligations of the parties set forth in Section 3(D) – Compensation upon Termination, Section 8 – Record Retention and Inspection, Section 10 – Confidential Information and Section 14 – Indemnification shall survive the expiration or termination of this Agreement.

35. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

36. INTERPRETATION:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

37. INDEPENDENT CONSTRUCTION:

The titles of the sections, subsections, paragraphs and clauses set forth herein are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

38. FORCE MAJEURE:

Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, pandemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disasters, whether or not similar to the foregoing.

39. ENTIRE AGREEMENT:

This Agreement contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In addition, this Agreement shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Agreement are hereby ratified.

40. COUNTERPART EXECUTION:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This Agreement, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall have the same legal effect as delivery of an original executed copy of this Agreement and any amendments hereto.

41. AUTHORITY TO EXECUTE:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER.

RICONDO & ASSOCIATES, INC.

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

COUNTY OF HUMBOLDT:

By: _____

Date: _____

Justin Hopman, Director of Aviation

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: _____

Date: _____

Risk Management

LIST OF EXHIBITS:

- Exhibit A – Scope of Services
- Exhibit B – Schedule of Rates
- Exhibit C – Sample Invoice Form

EXHIBIT A

SCOPE OF SERVICES

Passenger Facility Charge Program Reconciliation, Application Amendments, and Application Closeout Services For Fiscal Years 2026-2027 through December 31, 2027

Ricondo & Associates, Inc. (Ricondo) shall provide consulting services associated with the reconciliation of the Passenger Facility Charge (PFC) program which includes audit support, PFC project reconciliation, PFC application amendments, and closeout services for California Redwood Coast-Humboldt County Airport (ACV or Airport). PFC applications to be included in this task are as follows: PFC No. 08-09-C-01-ACV (PFC 08-09), PFC No. 11-10-C-01-ACV (PFC 11-10), PFC No. 15-11-C-00-ACV (PFC 15-11), and PFC No. 17-12.

C-00-ACV (PFC 17-12). This task does not include preparation of a new PFC application but may be included in a future task.

OBJECTIVE

The objective of this task is to conduct a comprehensive reconciliation and compliance review of the Airport's PFC program for the eight-year lookback period. The review will verify that PFC revenues were properly collected, deposited, accounted for, and expended in accordance with Federal Aviation Administration (FAA)-approved applications and applicable federal requirements. The task will identify and quantify any discrepancies in collections, expenditures, reporting, or recordkeeping; develop corrective actions where necessary; and establish a complete, audit-ready record of the Airport's PFC program. The ultimate goal is to confirm the integrity of the Airport's PFC program, strengthen regulatory compliance, and position the Airport for a successful FAA audit or compliance review. Additionally, this task will amend and close the current active applications.

TASK 1: PFC PROGRAM RECONCILIATION

SUBTASK 1.1: DOCUMENT COLLECTION AND INVENTORY

Ricondo will work with County staff to collect, organize, and inventory all relevant PFC documentation for the eight-year lookback period including:

- FAA-approved PFC applications and amendments (PFC 08-09 thru PFC 15-11)
- Quarterly and annual PFC activity reports submitted to the FAA
- Airline remittance records and carrier PFC collection statements
- Bank statements for the PFC-dedicated account(s)
- Accounts payable records for approved PFC-eligible projects
- Project completion certifications and close-out documentation
- Prior FAA audit correspondence, findings, and responses

SUBTASK 1.2: PFC COLLECTION RECONCILIATION

Ricondo will reconcile PFC collections reported by air carriers against amounts deposited into the Airport's PFC account for each year of the lookback period. Specific tasks include:

- Trace PFC remittances from each carrier to bank deposit records
- Identify collection shortfalls, over-remittances, or timing differences
- Verify that collection rates are consistent with FAA-approved levels (\$4.50 per enplanement)
- Cross-reference enplanement data against carrier remittance reports to identify potential collection errors
- Confirm proper accounting for exempt passengers and non-revenue enplanements
- Document and quantify any unresolved collection discrepancies

A PFC Collections Reconciliation Report will be prepared summarizing findings by year and by carrier.

SUBTASK 1.3: EXPENDITURE AND USE-OF-FUNDS RECONCILIATION

Ricondo will review and reconcile all PFC expenditures and use of funds against FAA approved project applications. Work includes:

- Map each PFC expenditure to an approved project in the corresponding FAA application
- Verify that funds were spent only on FAA-approved, PFC-eligible costs
- Confirm proper treatment of interest earnings on PFC account balances
- Identify any expenditures for non-approved or ineligible purposes
- Reconcile total expenditures against approved project budgets and identify variances
- Review change orders and cost overruns for proper FAA amendment handling
- Confirm timely use of funds in accordance with FAA requirements and application commitments

SUBTASK 1.4: REGULATORY COMPLIANCE REVIEW

Ricondo will evaluate the Airport's overall PFC program compliance posture, including:

- Review of PFC account structure and segregation of funds requirements
- Assessment of quarterly/annual reporting accuracy and timeliness
- Verification of signage, notice, and disclosure requirements (49 C.F.R. Part 158)
- Review of airline agreements and airport-airline consultation records
- Evaluation of record retention practices against FAA minimum requirements
- Identification of any reporting periods with late, inaccurate, or missing submissions
- Review of prior FAA audit findings and verification of corrective action closure

SUBTASK 1.5: DISCREPANCY RESOLUTION AND CORRECTIVE ACTION

Based on the findings from subtasks 1.2-1.4, Ricondo will:

- Prepare a comprehensive Findings and Discrepancy Register categorizing issues by type, severity, and resolution status
- Develop recommended corrective actions for each identified discrepancy
- Assist Airport staff in preparing amended quarterly/annual reports where required
- Draft carrier demand letters for any identified under-remittances
- Prepare documentation supporting any required FAA notifications or voluntary disclosures
- Coordinate with Airport legal County Counsel as needed for sensitive findings

SUBTASK 1.6: DISCREPANCY RESOLUTION AND CORRECTIVE ACTION

Ricondo will prepare the Airport to comply with Audit:

- Organizing an Audit-Ready PFC File containing all supporting documentation
- Preparing a PFC Program Summary Binder with reconciled financials, project status sheets, and carrier remittance summaries
- Developing Audit Response Templates for common audit document requests
- Providing Staff Training on PFC recordkeeping, reporting, and compliance best practices
- Preparing a Going-Forward Procedures Manual outlining recommended internal controls for PFC administration
- Assist with communication with external auditors on questions regarding PFC audits

SUBTASK 2: PFC APPLICATION AMENDMENTS AND CLOSEOUTS

Ricondo will provide consulting services associated with the preparation and submission of Type A amendments and closeouts for PFC applications: PFC 08-09, PFC 11-10, PFC 15-11, and PFC 17-12. The four applications account for 36 projects. It assumed, based on the project amounts, that these will all be Type A amendments, which should be verified in Task 1. If this assumption is determined to be inaccurate and some projects will require a Type B amendment requiring consultation with the air carriers, we will make amendments to the budget.

SUBTASK 2.1: PREPARATION AND SUBMISSION OF DRAFT S PFC 08- 09, PFC 11 - 10, PFC

15- 11, AND PFC 17 - 12

Ricondo will assist the County with preparation of a Type A amendment for 36 projects in accordance with 14 CFR Part 158.37. Ricondo will provide the following services in conjunction with this task:

- Meet with County staff to discuss proposed amendment projects and process
- Prepare draft PFC application Type A Packages for FAA review (4 packages)
- Prepare FAA Form 5500-1 and FAA-SOAR Amendment Request Forms
- Prepare current and proposed PFC collection authority and forecast expiration date tables
- Prepare and submit draft PFC amendment package for FAA's San Francisco Airports District Office (SF-ADO) Staff for review
- Meet with SF-ADO if necessary and incorporate FAA comments

SUBTASK 2. 2: PREPARATION AND SUBMISSION OF PFC AMENDMENT

Ricondo will assist the County with preparation of the official Type A amendment packages for each of the open PFC applications in accordance with 14 CFR Part 158.37. Ricondo will provide the following services in conjunction with this task:

- Prepare Final Amendment Package
- Submit Amendment Package to FAA

SUBTASK 2. 3: PREPARATION OF PFC CLOSEOUT PACKAGES

Following FAA approval, Ricondo will prepare official PFC closeout documents to officially closeout the existing active PFC applications, per the direction of the SF-ADO.

- Prepare closeout documentation
 - Preparation of transmittal letters
 - Preparation of physical and financial closeout forms

SUBTASK 2. 4: PREPARATION OF AIR CARRIER NOTIFICATION OF PFC AMENDMENT APPROVAL

Following FAA approval, Ricondo will prepare a notification letter for the County to transmit to the air carriers.

- Prepare Notification of Approval

**EXHIBIT B
SCHEDULE OF RATES**

RICONDO & ASSOCIATES, INC. For Fiscal Years 2026-2027 through December 31, 2027

DESCRIPTION	OFFICER	DIRECTOR	MANAGING CONSULTANT	CB, CPA (SUB-CONSULTANT)	TOTAL HOURS	EXPENSES	TOTAL
Task 1. PFC Program Reconciliation	\$420	\$360	\$300	\$215			
Subtask 1.1: Document Collection and Inventory	16	-	-	32	48	\$5,000	\$18,600
On-site Kick-off meeting	16	-	-	16	32	\$5,000	\$15,160
Collect, organize, and inventory all relevant PFC documentation for the eight-year lookback period	-	-	-	16	16	\$0	\$3,440
Subtask 1.2: PFC Collection Reconciliation	-	-	-	32	32	\$0	\$6,880
Reconcile PFC collections reported by air carriers against amounts deposited into the Airport's PFC account for each year of the lookback period	-	-	-	32	32	\$0	\$6,880
Subtask 1.3: Expenditure and Use-of-Funds Reconciliation	2	-	12	32	46	\$0	\$11,320
Review and reconcile all PFC expenditures and use of funds against FAA approved project applications	2	-	12	32	46	\$0	\$11,320
Subtask 1.4: Regulatory Compliance Review	-	-	-	32	32	\$0	\$6,880
Evaluate the Airport's overall PFC program compliance posture	-	-	-	32	32	\$0	\$6,880
Subtask 1.5: Audit Readiness Preparation	-	-	-	32	32	\$0	\$6,880
Ricondo will prepare the Airport to comply with Audit	-	-	-	32	32	\$0	\$6,880
Task 1 Total	18	-	12	160	190	\$5,000	\$50,560
Task 2. PFC Application Amendments and Closeouts							
Subtask 2.1: Preparation and Submission of Draft PFC 08-09, PFC 11-10, PFC 15-11, and PFC 17-12	25	-	60	-	85	\$3,000	\$31,500
Meet with County staff to discuss proposed amendment projects and process	8	-	8	-	16	\$3,000	\$8,760
Prepare draft PFC application Type Package for FAA review (4 packages)	8	-	24	-	32	\$0	\$10,560
Prepare FAA Form 5500-1 and FAA-SOAR Amendment Request Forms	-	-	6	-	6	\$0	\$1,800
Prepare current and proposed PFC collection authority and forecast expiration date tables	1	-	2	-	3	\$0	\$1,020
Prepare and submit draft PFC amendment package for FAA SF-ADO review	6	-	16	-	22	\$0	\$7,320
Meet with SF-ADO if necessary and incorporate FAA comments	2	-	4	-	6	\$0	\$2,040
Subtask 2.2: Preparation and Submission of PFC Amendment	4	-	16	-	20	-	\$6,480
Prepare Amendment Package	4	-	12	-	16	\$0	\$5,280
Submit Amendment Package to FAA	-	-	4	-	4	\$0	\$1,200
Subtask 2.3: Preparation of PFC Closeout Packages	2	-	8	-	10	-	\$3,240
Prepare closeout documentation	2	-	8	-	10	\$0	\$3,240
Subtask 2.4: Preparation of Air Carrier Notification of PFC Amendment Approval	-	-	4	-	4	-	\$1,200
Prepare Air Carrier Notification of PFC amendment approval	-	-	4	-	4	\$0	\$1,200
Task 2 Total	31	-	88	-	119	\$3,000	\$42,420
Total Task 1+2	49	-	100	160	309	\$8,000	\$92,980

