

NAPA COUNTY AGREEMENT NO. 260232B

**AGREEMENT BETWEEN NAPA SANITATION DISTRICT AND NAPA COUNTY
REGARDING THE PUEBLO AREA REHABILITATION PROJECT (RDS 26-01) –
PHASE 1**

This Agreement (“AGREEMENT”) is entered into in Napa County, California, this ____ day of _____ 2025, (“Effective Date”) by and between Napa County, a political subdivision of the state of California, hereinafter referred to as “COUNTY”, and the Napa Sanitation District, a County sanitation district, formed pursuant to Health & Safety Code Sections 4700, et seq., hereinafter referred to as “NAPASAN” (each a “PARTY” and collectively, the “PARTIES”).

RECITALS

WHEREAS, NAPASAN is designing and plans to construct a sanitary sewer rehabilitation project in the Pueblo Area of western Napa in 2026 (“Project Phase 1”), collectively referred to as the “NAPASAN Project Scope”;

WHEREAS, COUNTY plans to construct the Pueblo Area Roadway Rehabilitation Project (“COUNTY Project Scope”) in 2026 in the same project area as the NAPASAN Project;

WHEREAS, NAPASAN and COUNTY wish to partner and combine the projects to reduce the impacts to the residents of the project area and decrease total project costs;

WHEREAS, NAPASAN is willing to bid the COUNTY Project Scope and NAPASAN Project Scope together and to otherwise administer the construction of the COUNTY Project on COUNTY’s behalf under the terms and conditions set forth herein;

WHEREAS, COUNTY wishes to contract with NAPASAN to have NAPASAN administer the COUNTY Project Scope in conjunction with the NAPASAN Project Scope (collectively the “Combined Project”);

TERMS

NOW, THEREFORE, NAPASAN and COUNTY agree as follows:

1. Project Definition and Scope of Services.

- A. NapaSan Project. The NAPASAN Project will be included as part of its 2026 Collection System Rehabilitation Project. The NAPASAN Project will include rehabilitation, repair, and replacement of existing sanitary sewer main pipes, laterals, manholes, flush holes, and cleanouts and raising existing manholes and utility structures to grade within the project area, according to the Project Map (“Exhibit A”).
- B. County Project. The COUNTY Project that will be part of the Combined Project will include, but not be limited to, paving of COUNTY streets, as needed repairs to curb and gutter, and improvements to damaged storm drainpipes within the project area, according to the Project Map (“Exhibit A”).

- C. *Project Modification.* The Combined Project may be modified during construction as necessary to address unforeseen conditions or otherwise. The modifications shall be in the form of construction change orders, and will be approved in accordance with NAPASAN's Procurement Policies (District Code Section 2.03, et seq.). It is acknowledged that such construction change orders may or may not increase or decrease the overall construction cost of the Combined Project. The estimated project costs of the COUNTY's Project Work, as described in Section 4 below, identify construction costs including a construction contingency. NAPASAN and the COUNTY agree that all construction change orders will be discussed at regularly scheduled project meetings, and that any construction change orders that alter the COUNTY's Project Work shall require approval by the Director of Public Works, with such approvals or disapprovals made on a timely basis so as not to disrupt the project timeline or result in additional project costs due to time delays.
2. **Design and bidding of the Project.**
- A. The COUNTY will conduct, pay for, and be responsible for the design and preparation of plans and specifications of the COUNTY's Project Work.
- B. NAPASAN will conduct, pay for, and be responsible for the design and preparation of plans and specifications of NAPASAN's Project Work. NAPASAN will be the lead agency for CEQA. NAPASAN will combine the NAPASAN's design plans and specifications with the COUNTY's design plans and specifications for the purpose of creating a single project for bidding. NAPASAN will advertise the combined project design plans and specification for bidding by contractors per Section 3(A) below.
3. **Construction of the Project.**
- A. *Procurement.* NAPASAN will conduct and be responsible for the procurement of all contracts associated with the construction of the Combined Project, including selecting and awarding the lowest responsive and responsible bidder for construction. Procurements shall follow District Code Section 2.03, et seq. COUNTY may participate in the vendor selection process by reviewing proposals and bids, and providing timely comments to NAPASAN, but the final selection of contractors and consultants shall be made by NAPASAN.
- B. *Construction Management and Inspection.* NAPASAN shall be responsible for all construction management oversight of the project and comply with all Measure T signage requirements for the COUNTY Project Work. NAPASAN will be responsible for construction management, inspection, labor compliance services associated with construction, design services during construction, NAPASAN staff costs, permit fees, and other direct costs related to construction and oversight related to NAPASAN's Project Scope. COUNTY will be responsible for all construction management, inspection, labor compliance services associated with construction (if required), design services during construction, COUNTY staff costs, permit fees, and other direct costs related to construction and oversight of the COUNTY's Project Scope, including review and approval of the Contractor's traffic control plans for all work within the COUNTY's public rights-of-way, and any additional costs associated with compliance with Measure T requirements.
4. **Project Cost, Payments, and Compensation.**
- A. *Project Cost Paid by the County.* COUNTY agrees to be responsible for and pay those costs associated with the COUNTY's Project Scope per Section 4(B) below. If the COUNTY hires third-party design consultants, construction managers, inspectors, or others to aid in the implementation and/or oversight of the COUNTY's Project Scope, the COUNTY is responsible for paying for these costs directly.

- B. Amount of Project Cost Paid by the County. This Agreement authorizes the COUNTY to pay all actual COUNTY Project Scope expenses as defined above in accordance with the maximums and procedures in this Section 4. The COUNTY Project Scope is estimated to cost that amount set forth below ("Estimated Cost"):

\$2,360,000	for paving construction
\$ 190,000	for curb and gutter construction
\$ 0	permit fees
<u>\$ 500,000</u>	<u>contingency</u>

\$3,050,000 Total

Any amounts over the Estimated Cost shall require an amendment to this Agreement prior to encumbrance of those costs. COUNTY agrees not to withhold its agreement for reasonable expenses related to implementation of the COUNTY Project Scope. Both parties agree to proceed with the project acknowledging that if the COUNTY Project Scope exceed resources available to COUNTY, the COUNTY Project Scope may not be completed.

- C. Project Cost Paid by NAPASAN. NAPASAN agrees to be responsible for and pay Combined Project costs associated with NAPASAN's Project Scope. NAPASAN Project Scope costs include construction cost, construction management, inspection, labor compliance services associated with construction (if required), design services during construction, NAPASAN staff costs, permit fees, and other direct costs related to construction and oversight of NAPASAN's Project Scope.

- D. Amount of Project Cost Paid by NAPASAN. NAPASAN portion of the Project is estimated to cost as follows:

\$9,000,000 for sewer system rehabilitation

\$9,000,000 Total

- E. Payment Upon Invoice.

(i) Invoices. In accordance with Section 4(B) COUNTY shall reimburse NAPASAN the construction costs incurred by NAPASAN to complete the COUNTY Project Scope. NAPASAN shall present invoices no more frequent than monthly and include the construction contractor's progress pay estimate and any contract change orders for work listed in Section 4(B) above. After review and approval of invoices by the Director of Public Works or designee, approval of which shall not take more than fifteen (15) calendar days, invoices shall be forwarded to the Napa County Auditor for payment to NAPASAN within thirty (30) calendar days of receipt by the Napa County Auditor.

(ii) Interest on Overdue Invoices. COUNTY agrees that approved invoices that are not paid within the time established in Section 4 (E)(i) above shall be assessed a one percent (1%) per month interest charge, and that COUNTY agrees to pay and shall be financially responsible for such interest charges. Interest charges shall not accrue if COUNTY reasonably disputes an invoice.

5. **Ownership, Maintenance and Operation of the Project.**

- A. Ownership of the Project. Prior to NAPASAN accepting the work of the selected construction contractor and/or filing a Notice of Completion, NAPASAN shall address any

close-out issues identified by COUNTY related to the COUNTY Project Scope and request COUNTY accept the improvements. The parties agree that the existing improvements and completed COUNTY Project Scope improvements are COUNTY property.

- B. Operation of the Project. COUNTY will accept responsibility for operation and maintenance of the COUNTY's Project Scope upon completion. NAPASAN will accept responsibility for operation and maintenance of NAPASAN's Project Scope upon completion.

6. **Access to Records / Document Retention.**

NAPASAN will maintain Combined Project construction drawings and other information regarding the construction of the Combined Project for at least seven (7) years following completion of the project. Financial records associated with the Combined Project, including payables records, receivable records and grants receivable records, shall be maintained at least seven (7) fiscal years after the transactions are recorded. COUNTY, NVTA-TA, or the duly authorized representatives of the COUNTY or NVTA-TA, shall have access to any books, documents, papers and records of NAPASAN which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, NAPASAN shall maintain all required records for at least seven (7) years after COUNTY makes final payment for any of the work authorized hereunder and all pending matters are closed, whichever is later.

7. **Term of the Agreement.**

The term of this Agreement shall commence on the date first above written and shall continue through the warranty period of the Combined Project; except that the obligations of the parties under Paragraphs 8 (Insurance) and 9 (Indemnification) shall continue in full force and effect after said expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement, and the obligations of NAPASAN to COUNTY shall also continue after said expiration date or early termination in relation to the obligations prescribed by Paragraph 6 (Access to Records/Retention).

8. **Insurance.**

NAPASAN shall cause the CONTRACTORS performing work under this Agreement to obtain and maintain in full force and effect throughout the term of this Agreement, and thereafter as to matters occurring during the term of this Agreement, insurance coverage which meets or exceeds the following:

- A. **Workers' Compensation Insurance.** Workers' compensation insurance for the performance of any of the duties under this Agreement, as required by the State of California with statutory limits, and employer's liability insurance with a limit of no less than TWO MILLION DOLLARS (\$2,000,000) per accident for bodily injury or disease, all with a waiver of subrogation. NAPASAN shall provide COUNTY with a certification of all such coverages upon request by COUNTY's Risk Manager.

- B. **Liability Insurance.** The following liability insurance coverages, issued by a company admitted to do business in California and having an A.M. Best rating of A:VII or better or equivalent self-insurance or coverage provided through a Joint Power Insurance Authority:

(1) **General Liability.** Commercial or comprehensive general liability insurance coverage (personal injury and property damage) of not less than TWO MILLION DOLLARS (\$2,000,000) combined single limit per occurrence, covering liability or claims for any personal injury, including death, to any person and/or damage to the property of any person arising from the acts or omissions of CONTRACTOR or any officer, agent, or employee of CONTRACTOR under this Agreement except for acts or omissions performed in strict compliance with express direction from the COUNTY's governing board, officers or

personnel. If the coverage includes an aggregate limit, the aggregate limit shall be no less than twice the per occurrence limit.

(3) **Comprehensive Automobile Liability Insurance.** Comprehensive automobile liability insurance (Bodily Injury and Property Damage) on owned and non-owned vehicles used in conjunction with CONTRACTOR'S business of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit per occurrence. Coverage shall be business auto insurance coverage using Insurance Services Office (ISO) form number CA 0001 06 92 including symbol 1 (any Auto) or the exact equivalent. If Contractor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the General Liability Insurance described in paragraph 8.B.1, above. If NAPASAN or NAPASAN's employees, officers, or agents will use personal automobiles in any way in the performance of this Agreement, NAPASAN shall provide evidence of personal auto liability coverage for each such person upon request.

C. **Certificates of Coverage.** NAPASAN shall obtain from CONTRACTORS evidence of the coverages referenced in 8(B), above, evidenced by one or more certificates of coverage or, with the consent of COUNTY's Risk Manager, demonstrated by other evidence of coverage acceptable to COUNTY's Risk Manager, which shall be filed by NAPASAN with the Public Works Director prior to commencement of performance of any of work.

(1) **Notice of Cancellation.** The certificate(s) or other evidence of coverage shall reference this Agreement by its COUNTY or NAPASAN number or title and department; shall be kept current during the term of this Agreement; shall provide that COUNTY be given no less than thirty (30) days prior written notice of any non-renewal, cancellation, other termination, or material change, except that only ten (10) days prior written notice shall be required where the cause of non-renewal or cancellation is non-payment of premium.

(2) **Multiple Insureds.** The certificate(s) shall provide that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, the coverage afforded applying 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 liability.

(3) **Waiver of Subrogation and Additional Insured Endorsements.** For the commercial general liability insurance coverage referenced in 8(B)(1) and, for the comprehensive automobile liability insurance coverage referenced in 8(B)(3) where the vehicles are covered by a commercial policy rather than a personal policy, the CONTRACTORS shall also file with the evidence of coverage an endorsement from the insurance provider naming COUNTY and NAPASAN, its officers, employees, agents and volunteers as additional insureds and waiving subrogation. For the Workers Compensation insurance coverage, CONTRACTORS shall file an endorsement waiving subrogation with the evidence of coverage.

(4) **Additional Requirements.** The certificate or other evidence of coverage shall provide that if the same policy applies to activities of CONTRACTOR not covered by this Agreement, then the limits in the applicable certificate relating to the additional insured coverage of COUNTY and NAPASAN shall pertain only to liability for activities of CONTRACTOR under this Agreement, and that the insurance provided is primary coverage to COUNTY and NAPASAN with respect to any insurance or self-insurance programs maintained by COUNTY or NAPASAN. The additional insured endorsements for the general liability coverage shall use Insurance Services Office (ISO) Form No. CG 20 09 11 85 or CG 20 10 11 85, or equivalent, including (if used together) CG 2010 10 01 and CG 2037 10 01; but shall not use the following forms: CG 20 10 10 93 or 03 94.

(5) **Copies of Policies.** Upon request by COUNTY's Risk Manager, NAPASAN shall provide or arrange for the CONTRACTOR to provide within thirty (30) days of the request, certified copies of the actual insurance policies or relevant portions thereof.

- D. **Inclusion in Subcontracts.** NAPASAN agrees to require all contractors, subcontractors and any other entity or person who is involved in providing services under this Agreement to comply with the Workers Compensation and Liability Insurance requirements set forth in this Paragraph 8. NAPASAN shall provide COUNTY with certification of such coverage held by NAPASAN's contractor(s) and/or subcontractor(s) upon request of COUNTY's Risk Manager.

9. **Indemnification.**

- A. By NAPASAN. NAPASAN, and any contractors secured by NAPASAN to complete COUNTY's Project Scope, shall defend, indemnify and hold harmless COUNTY and the officers, agents and employees of COUNTY from any claim, loss or liability including without limitation, those for personal injury (including death) or damage to property, arising out of or connected with any aspect of the performance by NAPASAN or its officers, agents, or employees, of activities or obligations required of NAPASA under this Agreement except where the loss was proximately caused by acts or omissions of NAPASAN performed in strict compliance with express direction from COUNTY's governing board, officers or personnel (which direction specifically includes the plans and specifications provided by COUNTY pursuant to section 2(A)) other than direction based upon and conforming to advice from NAPASAN.
- B. By COUNTY. COUNTY, and any contractors secured by COUNTY to complete COUNTY's Project Scope, shall defend, indemnify and hold harmless NAPASAN and the officers, agents and employees of NAPASAN from any claim, loss or liability including without limitation, those for personal injury (including death) or damage to property, arising out of or connected with any aspect of the performance by COUNTY or its officers, agents, or employees, of obligations required of COUNTY under this Agreement as well as for claims where the loss was proximately caused by acts or omissions of NAPASAN performed in strict compliance with express direction from COUNTY's governing board, officers or personnel other than direction based upon and conforming to advice from NAPASAN.
- C. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

10. **Ongoing Duties and Responsibilities.** In addition to the parties' duties and responsibilities as described in other sections of this AGREEMENT, the parties acknowledge and agree to perform the following on an ongoing basis during the time that the Project is under construction:

- A. Regular Staff Meetings. The respective staffs of COUNTY and NAPASAN, and their retained consultants or contractors, will meet as needed to address matters contained in this AGREEMENT.
- B. Commitment of Staff and Resources. To provide sufficient staff and/or resources to this process to efficiently meet the goals and tasks set forth in this AGREEMENT.

11. **Warranty of Legal Authority.** Each party warrants and covenants that it has the present legal authority to enter into this AGREEMENT and to perform the acts required of it hereunder. If any party is found to lack the authority to perform the acts required of it hereunder or is prevented from performing the acts by a court of competent jurisdiction, this AGREEMENT shall be void.

12. **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.
13. **Dispute Resolution.** The parties agree to negotiate in good faith any disputes or disagreements arising from this AGREEMENT. In the event that the parties cannot come to agreement within a reasonable period of time, the parties agree to the use of a third party, independent mediator to help the parties come to mutual agreement. The parties agree not to seek remedy or dispute resolution through the courts without first attempting in good faith to resolve the dispute through negotiation or mediation, but in no way does this requirement limit the rights of either party to seek redress through legal action.
14. **Attorneys' Fees.** In the event that either party commences legal action of any kind or character to enforce the provisions of this Agreement or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney's fees incurred in connection with such action.
15. **No Waiver.** The waiver by either party of any breach or violation of any requirement 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.
16. **Notices.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval or communication that either party desires to give the other party shall be addressed to the other party at the address set forth below. Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

Napa Sanitation District:

General Manager
1515 Soscol Ferry Road
Napa, California 94558

County of Napa:

Director of Public Works
1195 Third Street, Suite 101
Napa, CA 94559

Changes may be made in addresses to where notices are to be delivered by giving notice pursuant to this provision.

17. **Entire Agreement.** This Agreement, including any documents expressly incorporated by reference whether or not attached hereto, constitutes the entire agreement between the parties relating to the subject of this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.
18. **Amendment / Modification.** Except as specifically provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. In particular,

only COUNTY acting through its Board of Supervisors in the form of an amendment of this Agreement, may authorize extra and/or changed work if beyond the scope of services prescribed in Section 1 above. Failure of NAPASAN to secure such authorization in writing in advance of performing any of the extra or changed work shall constitute a waiver of any and all rights to adjustment in the contract price or contract time and no compensation shall be paid for such extra work.

19. **Recitals Adopted.** The parties hereby agree to and adopt the AGREEMENT recitals as portions of the AGREEMENT.
20. **Termination.** This Agreement may be terminated by either party for any reason prior to NAPASAN executing a construction contract for the Combined Work by giving written notice of such termination to the other party; provided, however, that no such termination may be effected unless an opportunity for consultation is provided prior to the effective date of the termination. COUNTY hereby authorizes the Napa County Executive Officer to make all decisions and take all actions required under this Paragraph to terminate this Agreement on behalf of COUNTY for the convenience of COUNTY.
21. **Counterparts.** This Agreement may be executed in counterparts, which when taken together, shall constitute a single signed original as though all parties had executed the same page.
22. **Electronic Signatures.** Each Party agrees that electronic signatures, whether digital or encrypted, of the Parties included in this Agreement, are intended to authenticate this writing and to have the same force and effect as manual signatures. The term "electronic signature" means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures. Without limiting the generality of the foregoing, delivery of an executed counterpart's signature page of this Agreement, by facsimile, electronic mail in portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, has the same effect as delivery of an executed original of this Agreement.

IN WITNESS WHEREOF, this AGREEMENT was executed by the parties hereto as of the date first above written.

NAPA COUNTY, a political subdivision of the State of California

By: _____
ANNE COTTRELL,
Chair of the Board of Supervisors

NAPA SANITATION DISTRICT

By: _____
Scott Sedgley
Chair of the Board of Directors

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <u>Ryan FitzGerald (e-sign)</u> Deputy County Counsel</p> <p>Date: <u>October 16, 2025</u></p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____</p> <p>Processed By: _____</p> <p>Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
<p>APPROVED AS TO FORM District Counsel</p> <p>By: _____ District Counsel</p> <p>Date: <u>11/19/2025</u></p>	<p>APPROVED BY THE NAPA SANITATION DISTRICT BOARD OF DIRECTORS</p> <p>Date: <u>11/19/25</u></p>	<p>ATTEST: Donell Mannor Clerk of the Board of Directors</p> <p>By: <u>Donell Mannor</u></p>

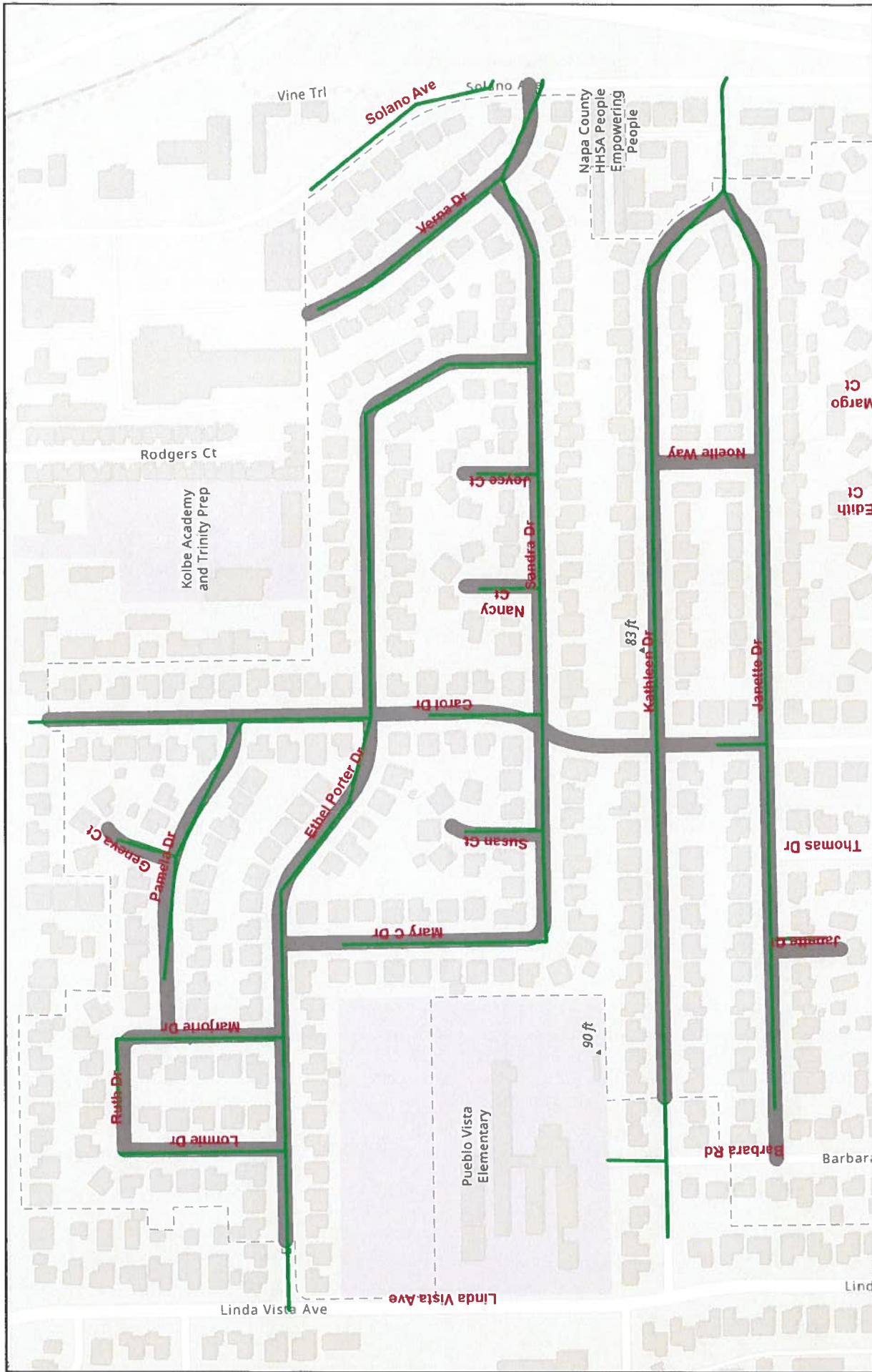


EXHIBIT A - PROJECT MAP

AGREEMENT BETWEEN NAPA SANITATION DISTRICT
AND NAPA COUNTY REGARDING THE PUEBLO AREA
REHABILITATION PROJECT - PHASE 1

