

**AGREEMENT FOR INDEMNIFICATION AND
REIMBURSEMENT FOR EXTRAORDINARY COSTS**

("The Agreement")

SHADED AREAS FOR OFFICE USE ONLY

("APPLICANT") and _____
("LANDOWNER"), collectively referred to as "the APPLICANT" have applied to the County of Sierra, a political subdivision of the State of California, _____ **Sierra** _____ ("the County") for:

("the Project")
(APN) _____

TERMS AND CONDITIONS

1. Conditions to the Project Approval: All approvals, permits and consents for the project by the County shall only become effective, and are expressly conditioned upon performance by the APPLICANT, and if a separate party, by the LANDOWNER, upon the following:

- 1.1** Full performance of all conditions imposed in connection with the applicable permit or the Project approved.
- 1.2** Posting of any fees for CEQA review required by the California Fish & Game pursuant to AB 3158, in the amount of \$2,210.25 for a Negative Declaration, and \$3,070.00 for an Environmental Impact Report.
- 1.3** Full performance of the terms and conditions hereof.
- 1.4** Compliance with all required mitigation measures of an approved environmental document for the application project.
- 1.5** Security Deposits (if required) for fulfillment of any conditions.

2. Terms of Agreement: The terms of this Agreement consist of:

- 2.1** This Indemnification and Reimbursement Agreement facing sheet
- 2.2** The conditions for charging Extraordinary Costs attached as Exhibit A
- 2.3** The Additional Terms attached as Exhibit B
- 2.4** The General Provisions attached as Exhibit C
- 2.5** Notices and Supplemental Terms attached as Exhibit D

This Agreement is entered into as of _____, 2016.

APPLICANT

(Signature)

(Type or print name)

LANDOWNER

(Signature)

(Type or print name)

COUNTY

Lee Adams, Chairman
Sierra County Board of Supervisors

APPROVED AS TO FORM:

David Prentice
County Counsel

ATTEST:

Heather Foster
Clerk of the Board

**CONDITIONS FOR CHARGING
EXTRA COSTS
EXHIBIT "A"**

A.1 BACKGROUND

The County of Sierra is authorized to charge for the actual costs of processing land use permits including all staff and administration and County Counsel time actually expended on the Project. While the County has previously established a schedule of fees for normal permit processing, there are times when the permit fees do not cover the costs incurred by the County for applications requiring significant amounts of staff and/or counsel time and/or in retaining consultants who may need to be retained in conjunction with the processing of an application that is filed with the County. In the event that the processing of an application for a permit, general plan amendment and/or rezoning of property requires, in the judgment of the Planning Department, more than the customary amount of time allocated to a type of application and/or results in the County retaining an outside consultant or consultants (including without limitation incurring fees for counsel), addition fees will be charged to cover the costs incurred by the County. The following events or circumstances (referred to as "Extraordinary Events") are examples (without limitation) of the circumstances that may give rise to extra costs:

- A.1.1** Incomplete or inaccurate information provided by an APPLICANT;
- A.1.2** A change in an application by means of an amendment, correction or otherwise;
- A.1.3** Opposition to a project;
- A.1.4** Submission of a controversial application, whether or not specifically or initially opposed;
- A.1.5** An appeal of a land use decision;
- A.1.6** Non-compliance in whole or in part by an APPLICANT with a condition of an application, a permit or a planning or building department request;
- A.1.7** Delays in processing caused in part by the APPLICANT or the latter's agents;
- A.1.8** Unique, novel or irregular applications or requests by an APPLICANT;
- A.1.9** Other circumstances or events which increase the workload of County staff to process an application.
- A.1.10** Hiring of outside consultants

A.2 NOTICE OF EXTRAORDINARY EVENT AND REQUEST FOR DEPOSIT

In the event that one or more Extraordinary Events arise or are reasonably foreseen, the Director of Planning may give written notice thereof to the APPLICANT together with a request for deposit of Extraordinary Costs ("Costs") [Exhibit B - Provision 1.1].

A.3 SUBMISSION OF DEPOSIT

Upon receipt of such Notice, APPLICANT shall have ten (10) days to deposit the sums so requested. Failure to comply with a deposit request shall be governed by Exhibit B - Provision 1-6.

A.4 RIGHT OF WITHDRAWAL

Extraordinary Costs, the APPLICANT has the right to withdraw or abandon APPLICANT's project and/or application without incurring any further costs beyond those incurred to the date of receipt by the Director of Planning of the Notice to Withdraw or Abandon the Application.

A.5 OBLIGATION AFTER DEPOSIT

In the event APPLICANT deposits the costs requested, the County shall proceed or continue with application processing and APPLICANT shall be responsible for the costs as billed, whether or not the latter are covered by or included in the Deposit.

A.6 FURTHER TERMS AND CONDITIONS

The use of the Deposit, responsibility for costs and the further terms and conditions of this Agreement are as set forth in Exhibits B and C and, if applicable, Exhibit D hereof.

A.7 EXTRAORDINARY COST SCHEDULE

Extraordinary Costs include:

Planning staff time billed based on the following formula: Gross salary per hour of each employee x hours billed

- County Counsel - At cost
- County Counsel Staff - \$20 per hour
- Special Counsel - As billed to County
- Consultants - As billed to County
- Other Costs - As authorized by County Ordinance or Resolution

**TERMS
EXHIBIT "B"**

B.1 DEPOSIT.

B.1.1 "INITIAL DEPOSIT." APPLICANT shall provide funds in the amount set forth in the "Notice of Extraordinary Costs" in the form of a check made payable to the "SIERRA COUNTY TREASURER".

B.1.2 INCREMENTAL DEPOSITS. The COUNTY may request deposits in advance of expenditures or obligations for expenditures. With the exception of the requirements of Provision B.2, APPLICANT shall only be liable for the amount of costs actually incurred by the COUNTY to the date of the request for additional deposits. No individual deposit request (exclusive of deposit on consulting contracts) shall exceed \$25,000 without APPLICANT's prior written authorization or assent.

B.1.3 ADDITIONAL DEPOSITS. If the deposit or any increases therein is inadequate to pay for Costs actually incurred by the COUNTY, APPLICANT will be notified immediately of the need to supplement the deposit. The APPLICANT shall only be contractually obligated to pay or to increase deposits beyond that which it otherwise agrees up to the limitation set forth in Provision B.2 below.

B.1.4 USE OF DEPOSITS. The Initial Deposit constitutes an initial estimate of Extraordinary Costs associated with processing the Application and the initial study. The use of the Initial Deposit funds and all future deposits shall include costs of administrative review, consulting fees, legal review, and any other actual costs incurred in support of the Application processing and any applicable environmental review of the Project (collectively referred to as "Costs".) Costs include those expenses incurred on the Project from its inception. Credit shall be given for any standard application permit fee paid by APPLICANT. Further, deposit will be required in the full amount of any contract or contracts for consulting services. Costs shall include the total dollar amount of all COUNTY personnel time (computed on the basis of hours spent multiplied by the salary and benefit rate paid by the COUNTY to such individual(s)), all fees and costs charged by outside consultants and contract personnel, amounts expended for photo copies, telephone calls, FAX charges, postage, trip expenses (gas, meals, lodging, parking, transportation) and any and all other costs incurred or expended by the COUNTY in direct connection with the Project.

B.1.5 DRAW DOWN OF DEPOSIT. On a monthly basis, or on such other time intervals as the Director of the PLANNING DEPARTMENT may deem appropriate, Costs incurred shall be deducted from the Deposit and an accounting of the status of the Deposit shall be provided to the APPLICANT. In the case of Costs expended against billings from outside consultants, the amount of such billing statements shall be provided to the APPLICANT. The APPLICANT shall not be entitled to any detail revealing the substantive contents or "detail of billings" pertaining to legal advisement to the COUNTY by contract attorneys or County Counsel, but shall be entitled to an accounting of the total amounts paid to such attorneys or reimbursement to the COUNTY General Fund, as the case pertains.

B.1.6 FAILURE OF MAKE DEPOSITS. In the event that APPLICANT does not make deposits as requested pursuant to the terms hereof, the processing of the Application may be suspended by the COUNTY. The refusal or failure to make a requested deposit within sixty (60) days after request shall constitute an abandonment of the Project by the APPLICANT and shall terminate all processing of the Application. The COUNTY shall not be liable for such termination and APPLICANT hereby indemnifies and holds the COUNTY harmless from any and all claims arising out of such termination including those of APPLICANT. Any request for deposit or payment to the COUNTY must be made in writing and mailed or telefaxed, in accord with "Notices" set forth on Exhibit "A". The APPLICANT shall have ten (10) working days from the date of mailing and telefaxing within which to remit the amount requested before the COUNTY may exercise the remedies for "Failure to make Deposits" set forth herein. Any delay in providing deposits or payments by APPLICANT as requested after the ten (10) days specified herein shall toll any time periods required for document processing by the COUNTY, including those under the Permit Streamlining Act, for the period of time equal to the date of the request for deposit to the date of receipt of the requested deposit minus the ten (10) day performance period ("the Delay Time") if the Delay Time is ten (10) calendar days or less. If the delay exceeds ten (10) calendar days beyond the ten (10) day performance time, then the tolling period shall be equal to the Delay Time plus thirty (30) days.

B.1.7 DEPOSITS IN EXCESS OF COSTS. If the actual Cost of the Application and environmental review is less than the deposit, the excess amount will be returned to the APPLICANT or applied toward subsequent phases of environmental review on the APPLICANT's Project or any subsequent projects at the option of the APPLICANT, including the Costs of the EIR or any supplemental environmental reviews. If APPLICANT includes both an APPLICANT and LANDOWNER, both must give joint signed instructions for handling funds.

B.2 OBLIGATION FOR COSTS.

APPLICANT is responsible for all Extraordinary Costs in connection with Application processing and all necessary environmental review processing. In the event that the Extraordinary Costs exceed or are in the opinion of the Director of the PLANNING DEPARTMENT expected to exceed the amount of deposit as set forth in Provision 1 above, the COUNTY may request an additional deposit to cover such Costs or may bill APPLICANT for Costs accrued but unpaid, or both. In the event that APPLICANT objects to making any further payments or deposits, APPLICANT shall only be contractually obligated up to an amount not to exceed twenty percent (20%) over the initial deposit (referred to as "Cost Overruns"). In the event that APPLICANT refuses to make deposits or to pay cost incurred, the COUNTY may close the Project application processing and may seek recovery from the Undersigned for the costs incurred and the party's rights and responsibilities shall be governed under Provision B.1.6 ("Failure to Make Deposits") above.

B.3 PROJECT ACCOUNTING.

The COUNTY shall maintain books and records necessary to track all costs associated with the Project, and to account for all sums deposited and/or paid by the APPLICANT, which records may be inspected in the PLANNING DEPARTMENT by the APPLICANT, a report of which shall be provided to APPLICANT on a monthly basis.

B.4 LEGAL DEFENSE.

In the event that any litigation is initiated by any third party in which the COUNTY is named in any capacity arising out of or in connection with the Project, APPLICANT agrees to defend the COUNTY and at the COUNTY's request to appear and represent it at APPLICANT's sole cost and expense; **provided however, that APPLICANT shall not be obligated to defend or indemnify the COUNTY against any claims, actions or litigation arising out of damages, personal injury or death caused by the COUNTY's negligence or willful misconduct.** (The foregoing shall not limit the right of the COUNTY to appear and defend against any or all issues or causes of action.)

B.5 INDEMNIFICATION.

The Undersigned, jointly and severally, do(es) indemnify and agree to hold harmless the County, its Officers, Agents, and employees from and against any and all costs, claims, damages, judgments, or payments in compromise and settlement, including therein all direct and administrative costs, attorneys' fees including county counsel or special counsel fees incurred with respect to any action to attack, set aside, void, or annul any approvals or denials by the County, arising out of or in connection with the Project, whether by way of court action or administrative proceeding. In the event that any action is filed, including but not limited to notice of administrative appeal, summons and complaint, or writ proceeding (collectively referred to as "Action"), the County may request and the Undersigned shall make a deposit in the amount requested by the Director of Public Works, in the initial amount of which shall not exceed ten thousand dollars (\$10,000) to cover initial cost and fees, and shall replenish the deposit on an ongoing basis as may be requested during the ongoing proceedings, if any. In the event that actual costs are less than the sums deposited, the unused balance shall be returned to the Undersigned by warrant made payable to APPLICANT and LANDOWNER as they mutually advise in writing. In the event that the Undersigned fails or refuses to make deposits as requested hereunder, in addition to any and all remedies in law or equity, the County may cease to proceed with any administrative action, any affirmative action, or refuse or abstain from defense of any such action and/or may enter into any stipulation, the results of which voids, retracts or restricts the Project or any permit or entitlement pertaining to the Project.

GENERAL PROVISIONS
EXHIBIT "C"

C.1 INTERPRETATION AND ENFORCEMENT.

C.1.1 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

C.1.2 ASSIGNMENT. This Agreement constitutes a personal contract and no party hereto shall assign or transfer this Agreement, or any part thereof, without the prior written consent of the other(s), unless such transfer is otherwise expressly permitted hereby.

C.1.3 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

C.1.4 SUPERSEDES PRIOR AGREEMENTS. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

C.1.5 ATTORNEY'S FEES. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fee, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

C.1.6 CAPTIONS. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

C.1.7 DEFINITIONS. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

C.1.7.1 NUMBER AND GENDER. In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

C.1.7.2 MANDATORY AND PERMISSIVE. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

C.1.8 TERM INCLUDES EXTENSIONS. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

C.1.9 SUCCESSORS AND ASSIGNS. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

C.1.10 MODIFICATION. No modification or waiver of any provisions of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

C.1.11 COUNTERPARTS. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

C.1.12 OTHER DOCUMENTS. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

C.1.13 PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

C.1.14 JURISDICTION. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Sierra, State of California.

C.1.15 CONTROLLING LAW. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

C.1.16 INCORPORATION OF EXHIBITS. All exhibits mentioned herein and attached hereto are specifically incorporated herein by this reference and made a part of this Agreement.

C.1.17 TIME IS OF THE ESSENCE. Time is of the essence of this Agreement and each covenant and term a condition herein.

C.1.18 AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon. Both APPLICATION and LANDOWNER shall be jointly and severally responsible and liable for performance hereunder.

C.1.19 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code (107). For all purposes of compliance by County with a Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the County of Sierra. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this if created; and the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

NOTICE AND SUPPLEMENTAL TERMS
Exhibit "D"

D.1 NOTICES.

All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

If to "COUNTY":

If to "APPLICANT":

Chairman, Board of Supervisors _____
County of Sierra
Post Office Drawer D
Downieville, California 95936

APPLICANT:

LANDOWNER:

With a copy to:

With a copy to:

County Counsel
County of Sierra
Post Office Drawer D
Downieville, CA 95936

D.2 SUPPLEMENTAL TERMS.

none