

VENTURA REGIONAL SANITATION DISTRICT

1001 PARTRIDGE DRIVE, SUITE 150 • VENTURA, CA 93003-0704



January 26, 2012

Board of Directors
Ventura Regional Sanitation District
Ventura, CA 93003

VRSD CONTRACT NO. 11-016-2 – VACO RESOURCES, LLC

Summary:

The District entered into a contract with VACO Resources, LLC (VACO) on June 14, 2011, for temporary assistance in Finance in lieu of the recent reduction in force in the amount of \$25,000 under the General Manager's authority. Amendment to contract was approved by the Board on November 3, 2011, for an additional \$25,000. Staff is requesting a second amendment to the contract for an additional \$75,000 with the total contract amount of \$125,000.

Background:

The fiscal year financial audits and submission of various report requirements to outside agencies for the four governmental agencies (VRSD, TSD, SSD and VCREA) supported by Finance are completed. Staff is seeking a Management Analyst who will replace the Fiscal Manager downgraded position and the District is currently accepting applications. Staff believes the position will be filled in March 2012.

In addition, the Principal Analyst mainly responsible for the VRSD, TSD and SSD budgets is no longer with the District. The budget and other fiscal duties of the position have been temporarily assigned to Finance. Staff is now preparing for the FY2013 budget process and is recommending hiring temporary labor to fill the Principal Analyst position while the District determines how to best replace the position. Therefore, staff is requesting your Board extend the temporary labor assistance by increasing the amount of the contract for an additional \$75,000 until the Management Analyst position in Finance and Principal Analyst position are filled.

Fiscal Impact:

Revenue (Revenue-Sales) and appropriations (Salaries & Benefits) are included in the adopted Fiscal Year 2012 budget. Adjustments in the Salaries & Benefits and Contract Services (labor) are necessary to more properly account for the expenses.

Item 7-1

Salary and Benefit Savings

75% Management Analyst 07/01/11 – 03/31/12	\$84,000
50% Principal Analyst 01/19/12 – 06/30/12	\$114,750
Total Salary and Benefits through June 2012	\$198,730
Total VACO Contract through June 2012 (as proposed)	\$125,000
Net Salary Savings in FY 12	Approximately \$75,000

If you have any questions, please contact me at 805-658-4646.

Recommendation:

It is recommended the Board:

- a. Authorize the Chairman to sign Contract No. 10-016-2 with VACO Resources, increasing the amount of the contract by \$75,000 for a not to exceed amount of \$125,000.
- b. Authorize the Director of Finance & Administration to process the budgetary transactions necessary to revise the following appropriations:

INCREASE	Dept.110	Contract services – labor	\$75,000
DECREASE	Dept.110	Salaries & Benefits	\$75,000

Vickie Dragan
VICKIE DRAGAN, DIRECTOR OF FINANCE & ADMINISTRATION

Enc.

APPROVED FOR THE FEBRUARY 2, 2012 AGENDA

Mark Lawler
Mark Lawler, General Manager

CONTRACT NO. 11-016-2

**AMENDMENT NO. 2 TO CONTRACT NO. 11-016
AGREEMENT FOR TEMPORARY SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
VACO RESOURCES, LLC**

THIS AGREEMENT is made and entered into this 2nd day of February 2012 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq., hereinafter "DISTRICT", and VACO RESOURCES, LLC, a limited liability company, hereinafter "AGENCY".

RECITALS

A. On the 14th day of June 2011, a certain contract, hereinafter referred to as Contract No. 11-016, was executed between DISTRICT and AGENCY for services of a temporary help agency to accommodate its temporary help needs in the event of DISTRICT employee absence and/or work overload.

B. On the 3rd day of November 2011, a certain contract, hereinafter referred to as Contract No. 11-016-1, was executed between DISTRICT and AGENCY for services of a temporary help agency to accommodate its temporary help needs in the event of DISTRICT employee absence and/or work overload.

c. DISTRICT and AGENCY have agreed additional compensation is necessary to complete the work and can be accomplished by amending Contract No. 11-016 accordingly.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, it is agreed the aforesaid Contract No. 11-016, a copy of which is attached as Exhibit "I" and incorporated herein by reference, shall remain in full force and effect, except as otherwise hereinafter provided.

The parties agree the following language shall replace the original provisions of Article 7, Payment to Agency:

"In consideration of AGENCY's services as described herein and evidenced by AGENCY time sheets duly approved by DISTRICT's representative, DISTRICT shall pay AGENCY fees for its services at the rate established between the parties prior to commencement of the temporary assignment. On or prior to the tenth day of each calendar month after actual work is started, AGENCY shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. Such invoice shall include this contract number; the name of

the DISTRICT employee requesting temporary services; name and job classification of each person performing work; date, location and number of hours worked; and billing rate. Hours in excess of 40 per week per temporary worker shall be paid to AGENCY at 1½ times the regular billing rate. DISTRICT shall review and approve AGENCY's invoice for accuracy and agree with AGENCY on any appropriate adjustments. Such approvals shall not be unreasonably withheld. DISTRICT shall have the right to inspect and/or audit all records and other written materials used by AGENCY in preparing its statements to DISTRICT. DISTRICT shall pay AGENCY for all approved work within 30 days of agreement on the invoice amount. In the event of a good faith disagreement with AGENCY on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within 30 days after deducting therefrom all previous payments made under the terms of the Agreement. The amount of this Agreement shall be increased by \$75,000.00 and shall not exceed \$125,000.00 without prior Board approval.

“DISTRICT acknowledges and agrees that AGENCY will confirm the assignment of each AGENCY employee assigned to DISTRICT by sending DISTRICT an arrangement letter (an “Arrangement Letter”), which Arrangement Letters are also part of this Agreement.”

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

APPROVED AS TO FORM:
ARNOLD, MATHEWS & ZIRBEL, LLP

VENTURA REGIONAL SANITATION
DISTRICT

By _____
MARK A. ZIRBEL
Legal Counsel for DISTRICT

By _____
JONATHAN SHARKEY, Chairman
Board of Directors

ATTEST:

VACO RESOURCES, LLC

By _____
JOSIE GUZMAN, Clerk of the Board

By _____
LORRAINE PERALEJO-SANCHEZ, Partner

Exhibit "I"

CONTRACT NO. 11-016-1

**AMENDMENT NO. 1 TO CONTRACT NO. 11-016
AGREEMENT FOR TEMPORARY SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
VACO RESOURCES, LLC**

RECEIVED

2011 NOV 14 PM 1:47
VENTURA REGIONAL
SANITATION DISTRICT

THIS AGREEMENT is made and entered into this 3rd day of November, 2011 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq., hereinafter "DISTRICT", and VACO RESOURCES, LLC, a limited liability company, hereinafter "AGENCY".

RECITALS

A. On the 14th day of June 2011, a certain contract, hereinafter referred to as Contract No. 11-016, was executed between DISTRICT and AGENCY for services of a temporary help agency to accommodate its temporary help needs in the event of DISTRICT employee absence and/or work overload.

B. DISTRICT and AGENCY have agreed additional compensation is necessary to complete the work and can be accomplished by amending Contract No. 11-016 accordingly.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth, it is agreed the aforesaid Contract No. 11-016, a copy of which is attached as Exhibit "I" and incorporated herein by reference, shall remain in full force and effect, except as otherwise hereinafter provided.

The parties agree the following language shall replace the original provisions of Article 7, Payment to Agency:

"In consideration of AGENCY's services as described herein and evidenced by AGENCY time sheets duly approved by DISTRICT's representative, DISTRICT shall pay AGENCY fees for its services at the rate established between the parties prior to commencement of the temporary assignment. On or prior to the tenth day of each calendar month after actual work is started, AGENCY shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. Such invoice shall include this contract number; the name of the DISTRICT employee requesting temporary services; name and job classification of each person performing work; date, location and number of hours worked; and billing rate. Hours in excess of 40 per week per temporary worker shall be paid to AGENCY at 1½ times the regular billing rate. DISTRICT shall review and approve AGENCY's invoice for accuracy and agree with AGENCY on any appropriate adjustments. Such approvals shall not be unreasonably withheld. DISTRICT shall have the right to

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inspect and/or audit all records and other written materials used by AGENCY in preparing its statements to DISTRICT. DISTRICT shall pay AGENCY for all approved work within 30 days of agreement on the invoice amount. In the event of a good faith disagreement with AGENCY on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within 30 days after deducting therefrom all previous payments made under the terms of the Agreement. The amount of this Agreement shall be increased by \$25,000.00 and shall not exceed \$50,000.00 without prior Board approval.


"DISTRICT acknowledges and agrees that AGENCY will confirm the assignment of each AGENCY employee assigned to DISTRICT by sending DISTRICT an arrangement letter (an "Arrangement Letter"), which Arrangement Letters are also part of this Agreement."

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

APPROVED AS TO FORM:
ARNOLD, MATHEWS & ZIRBEL, LLP


VENTURA REGIONAL SANITATION
DISTRICT

By 
MARK A. ZIRBEL
Legal Counsel for DISTRICT

By 
JAMES L. MONAHAN, Chairman
Board of Directors

ATTEST:

VACO RESOURCES, LLC

By 
NOSSIE GUZMAN, Clerk of the Board

By 
LORRAINE PERALEJO-SANCHEZ, Partner

Exhibit "P"

CONTRACT NO. 11-016

RECEIVED

AGREEMENT FOR TEMPORARY SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
VACO RESOURCES

2011 JUN 22 AM 10:38
VENTURA REGIONAL
SANITATION DISTRICT

THIS AGREEMENT is made and entered into on this 14th day of June 2011 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq., hereinafter "DISTRICT", and VACO RESOURCES, LLC, a limited liability company, hereinafter "AGENCY".

RECITALS

- A. DISTRICT has a need to engage the services of a temporary help agency to accommodate its temporary help needs in the event of DISTRICT employee absence and/or work overload.
- B. AGENCY represents it possesses the necessary skills, experience, and employee base to provide the requested temporary services and is willing to contract with DISTRICT.
- C. The parties enter into this Agreement to set forth their respective rights and obligations.

AGREEMENT

ARTICLE 1: TERM

The term of this Agreement shall be from ~~June 10, 2011~~ until ~~June 30, 2012~~. This Agreement may be extended for four additional one-year terms at DISTRICT's sole option and upon written notification and acceptance of current terms, conditions and price between DISTRICT and AGENCY.

ARTICLE 2: AGENCY'S OBLIGATIONS

A. AGENCY shall designate a representative who shall be familiar with the terms and conditions of this Agreement and represent AGENCY and be its primary contact and agent in all transactions with DISTRICT during this Agreement. AGENCY's representative shall be Lorraine Peralejo-Sanchez. In the event Lorraine Peralejo-Sanchez becomes unavailable, AGENCY shall immediately designate another representative satisfactory to DISTRICT. AGENCY shall use commercially reasonable efforts in providing temporary services to DISTRICT and shall cooperate with DISTRICT and provide DISTRICT with all available information and assistance in relation to DISTRICT's temporary help needs.

B. Upon DISTRICT request for temporary services, the parties shall agree on the specific temporary services to be provided; any special requirements of the position; appropriate classification of the temporary worker to be provided; billing rate to be charged; and date, time and place at which temporary worker is to report. Whenever possible, AGENCY shall e-mail or FAX confirmation of the aforementioned factors and temporary worker's name to DISTRICT at least 18 hours before AGENCY's employee reports to DISTRICT work site.

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C. AGENCY has the sole right to establish the wages and supplemental benefits, if any, of its employees assigned to DISTRICT and assumes responsibility for the payment of such compensation, the withholding and payment of all required payroll taxes, and the maintenance of workers' compensation insurance as required by state law. DISTRICT will notify AGENCY of any obligations relating to wages including job classification and occupation codes.

D. (i) To the extent permitted by law, AGENCY will have its third party vendor complete a seven (7) year criminal background investigation for all felony convictions and misdemeanor convictions for crimes of dishonesty (both State and Federal) for the employee's current county of residence as stated on his or her resume.

(ii) AGENCY will contract with a third party vendor to conduct a 5-panel urine drug screen. Based on the results of said drug screen, no individual whose drug screen reveals a substance within these parameters will be sent to DISTRICT for placement.

(iii) AGENCY usually checks references only by asking specific questions to select past employers with regard to skills and work history before placing an individual on his or her first assignment. Except as provided herein, AGENCY has not engaged in any verification process other than these reference checks.

(iv) AGENCY complies with the Immigration Reform and Control Act of 1986, and as a general practice, verifies employees' eligibility to work in the United States in accordance with applicable law by review of each Employment Eligibility Verification Form (I-9).

E. AGENCY agrees to ensure its employees understand they remain AGENCY employees while assigned to perform temporary work for DISTRICT, and do not accrue any "DISTRICT employee" rights or benefits as a result of such temporary work assignment, regardless of its duration.

F. AGENCY's employee shall arrive at DISTRICT work site in proper attire, ready and able to perform duties specific to the job classification. Unless otherwise specified herein, individual equipment such as safety shoes and prescription safety glasses, shall be provided by AGENCY or AGENCY's employee. DISTRICT shall not incur any cost associated with the provision of individual equipment, nor shall DISTRICT be required to provide any individual equipment to AGENCY's employee, except as hereinafter provided.

G. AGENCY agrees it will not engage in, nor permit such subcontractors as it may employ to engage in, harassment of any kind; discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, disability, sexual orientation, marital status, religion or other category protected by law; or retaliation against persons who report such activities.

ARTICLE 3: DISTRICT'S OBLIGATIONS

A. DISTRICT supervisory/management personnel shall contact designated AGENCY representative, as needed, to discuss job requirements, availability of skilled AGENCY personnel, and the hourly rate to be billed for AGENCY's temporary services. A minimum of 72 hours advance notice of need shall be provided whenever possible. When possible, said notice shall be provided by e-mail or facsimile to maximize the notice time.

B. DISTRICT shall provide temporary worker the following, as needed:

<u>Field</u>	<u>Office</u>
Hard hat	Desk
Safety vest	Chair
Work gloves	Computer
Tools to perform job	Telephone, FAX machine, copier,
Plastic eye goggles (disposable)	calculator, etc. (if required for job)
Uniforms (if required for job)	

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C. If temporary worker provided by AGENCY is not acceptable to DISTRICT for any reason, DISTRICT shall notify AGENCY within the first 4 hours of the work assignment. Upon such notification, AGENCY shall immediately endeavor to provide DISTRICT with an acceptable replacement. AGENCY agrees DISTRICT shall not be billed for unacceptable work when such notification is timely given.

D. Unless DISTRICT advises AGENCY that a temporary worker is unacceptable within the first 4 hours of the temporary assignment, DISTRICT shall utilize and pay AGENCY for its services in accordance with Article 7, PAYMENT TO AGENCY. AGENCY's minimum billing shall be 4 hours.

E. DISTRICT shall endeavor to supply a safe and suitable workplace for AGENCY's employees by providing site-specific job training when necessary and complying with all applicable federal and state occupational safety and health laws and regulations. Should AGENCY's employee sustain any work-related injury, DISTRICT will attempt to notify AGENCY by telephone. If this effort is not successful, DISTRICT shall forward written notification to AGENCY by e-mail or facsimile within 24 hours of temporary worker's injury. A follow-up copy of said notice shall be provided to AGENCY in the manner described in Article 12, NOTICES.

F. DISTRICT shall not entrust AGENCY's employee with cash, checks, negotiable instruments or other valuables without AGENCY's prior written agreement, and then only under DISTRICT's direct supervision.

G. DISTRICT shall immediately notify AGENCY of the completion or termination of a temporary worker's assignment.

H. (i) DISTRICT is responsible for supervising AGENCY's employees. DISTRICT will not permit or require a temporary employee (a) to perform services outside of the scope of his or her assignment; (b) to sign contracts or statements, (c) to make any management decisions, (d) to sign, endorse, wire, transport or otherwise convey cash, securities, checks, or any negotiable instruments or valuables or (e) to operate machinery (other than office machines) or automotive equipment.

(ii) Since AGENCY is not a professional accounting firm, DISTRICT agrees that it will not permit or require temporary employees (a) to render an opinion on behalf of AGENCY or on DISTRICT's behalf regarding financial statements, (b) to sign the name of AGENCY on any document or (c) to sign their own names on financial statements or tax returns.

ARTICLE 4: SUBCONTRACTOR'S OBLIGATIONS

Any and all subcontractors as may be employed by AGENCY shall comply with the same provisions as specified for AGENCY and AGENCY's employees in this Agreement.

ARTICLE 5: INDEPENDENT CONTRACTOR RELATIONSHIP

A. It is expressly understood between the parties that no employer/employee relationship is intended by this Agreement, the relationship of AGENCY and AGENCY's employees to DISTRICT being that of independent contractors. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health, retirement or other "DISTRICT employee" benefits to AGENCY or AGENCY's employees or subcontractors.

B. All DISTRICT contact with AGENCY's employees concerning temporary work assignments, with the exception of actual on-the-job communications, shall be coordinated through AGENCY.

C. DISTRICT employees are governed by a Personnel & Salary Ordinance and, in certain units, Memoranda of Understanding. It is understood by both parties that AGENCY's employees are not governed by these documents. There are no "DISTRICT employee" rights or benefits associated with temporary work performed

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for DISTRICT. Temporary help assignments are limited to a maximum of 6 months or 1,000 hours per individual per fiscal year, unless specifically extended by DISTRICT's Board of Directors, and may be ended at any time. No minimum usage of AGENCY services is implied or guaranteed hereby.

D. In the event DISTRICT determines any temporary worker is unsatisfactory for DISTRICT's purposes, DISTRICT will notify AGENCY of said determination and shall not be responsible for the compensation of said individual beyond the hours actually worked. DISTRICT shall have the right to refuse the services of any temporary worker supplied by AGENCY.

E. AGENCY pursuant to this Agreement is rendering temporary help services only and any payments made to it are compensation solely for such services as it may render.

ARTICLE 6: DISTRICT EMPLOYEE RECRUITMENT

A. As a public agency, DISTRICT conducts formal competitive recruitment processes to fill vacant positions. Selection is based on a combination of testing and/or formal interview panel recommendations. This process does not allow AGENCY employees to become DISTRICT employees through "temp-to-perm" assignments. As such, it is agreed by the parties that, should an AGENCY employee or subcontractor submit an application for a vacant position with the DISTRICT and be selected for the position as a result of DISTRICT's competitive recruitment process, DISTRICT will not be liable to AGENCY for any conversion associated with DISTRICT employing the successful candidate, once AGENCY employee has completed 800 hours on behalf of AGENCY, under this Agreement with the exception of a one time \$500 processing fee.

B. AGENCY's personnel are not eligible to apply for DISTRICT "in-house" recruitments. These are open only to DISTRICT employees holding probationary or regular status.

ARTICLE 7: PAYMENT TO AGENCY

In consideration of AGENCY's services as described herein and evidenced by AGENCY time sheets duly approved by DISTRICT's representative, DISTRICT shall pay AGENCY fees for its services at the rate established between the parties prior to commencement of the temporary assignment. On or prior to the tenth day of each calendar month after actual work is started, AGENCY shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. Such invoice shall include this contract number; the name of the DISTRICT employee requesting temporary services; name and job classification of each person performing work; date, location and number of hours worked; and billing rate. Hours in excess of 40 per week per temporary worker shall be paid to AGENCY at 1½ times the regular billing rate. DISTRICT shall review and approve AGENCY's invoice for accuracy and agree with AGENCY on any appropriate adjustments. Such approvals shall not be unreasonably withheld. DISTRICT shall have the right to inspect and/or audit all records and other written materials used by AGENCY in preparing its statements to DISTRICT. DISTRICT shall pay AGENCY for all approved work within 30 days of agreement on the invoice amount. In the event of a good faith disagreement with AGENCY on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within 30 days after deducting therefrom all previous payments made under the terms of the Agreement. The amount of this Agreement shall not exceed \$25,000.00 without prior Board approval.

DISTRICT acknowledges and agrees that AGENCY will confirm the assignment of each AGENCY employee assigned to DISTRICT by sending DISTRICT an arrangement letter (an "Arrangement Letter"), which Arrangement Letters are also part of this Agreement

ARTICLE 8: TERMINATION OF CONTRACT

All services shall be provided in a diligent and professional manner. AGENCY specifically acknowledges and agrees that DISTRICT may terminate AGENCY's services at any time with or without cause. Any termination

shall be provided by DISTRICT in writing.

ARTICLE 9: INDEMNIFICATION AND HOLD HARMLESS

AGENCY agrees to defend, indemnify and hold harmless DISTRICT, and its officials, officers, employees, from and against any and all third party lawsuits, proceedings, actions, demands, liability, damages, costs, losses, claims and expenses of any nature or kind, including reasonable attorneys fees, however caused, resulting directly or indirectly from or connected with, AGENCY's negligent performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of AGENCY, DISTRICT, or their respective employees or agents), regardless of the active or passive negligence of DISTRICT, except where such lawsuits, proceedings, actions, demands, liability, damages, costs, losses, claims or expenses are caused by the negligent or wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 10: INSURANCE

AGENCY shall provide and keep in effect during the term of this Agreement insurance as follows:

- A. Workers' Compensation, Unemployment and Employer's Liability policies in accordance with applicable laws.
- B. Commercial Liability policies with combined single limit coverage of \$1,000,000 for any personal injury, death, or property damage.
- C. Automobile Liability policies with combined single limit coverage of \$1,000,000 for personal injury, death, or property damage.

AGENCY shall provide certificates of such insurance to DISTRICT prior to the start of work. Said certificate shall specifically provide that: (1) DISTRICT is an additional insured for the coverage in Items B and C above; (2) any other insurance coverage applicable to the loss shall be deemed excess coverage and AGENCY's insurance shall be primary; and (3) such insurance shall not be terminated or canceled without 30 days' prior written notice having been given DISTRICT at its address set forth in this Agreement, except that 10 days' written notice shall be acceptable in the case of cancellation for nonpayment. The cost of all such insurance provided shall be borne by AGENCY.

ARTICLE 11: FIDELITY BOND

Each of AGENCY's employees temporarily assigned to provide services to DISTRICT shall be covered by a \$100,000 fidelity bond during the term of this Agreement. AGENCY shall provide DISTRICT an endorsement of said bond naming DISTRICT as covered while AGENCY's employee is assigned to provide temporary services for DISTRICT.

ARTICLE 12: NOTICES

All written notices to the parties hereto shall be sent by United States mail, postage prepaid by first class, registered or certified mail addressed as follows:

To AGENCY: VACO RESOURCES
2815 Townsgate Road, Suite 220
Westlake Village, CA 91361

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To VRSD:

Finance & Administration
VENTURA REGIONAL SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

or to such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be deemed to have been received 3 days after mailing.

ARTICLE 13: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of AGENCY shall operate as a waiver of the default, of any subsequent or other default by AGENCY, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 14: PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 15: TERMS

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

ARTICLE 16: INCORPORATION OF RECITALS

The foregoing recitals are incorporated herein as though fully set forth.

ARTICLE 17: CALIFORNIA LAW

This Agreement shall be interpreted and construed pursuant to the laws of the State of California. The parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 18: ASSIGNMENT

Neither party shall assign, transfer, convey or otherwise dispose of its interest in this Agreement without the written consent of the other.

ARTICLE 19: AUTHORITY TO EXECUTE AGREEMENT

Both DISTRICT and AGENCY do covenant that each individual executing this Agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first written above.

VENTURA REGIONAL SANITATION DISTRICT

VACO RESOURCES

By


MARK LAWLER, General Manager

By


LORRAINE PERALEJO-SANCHEZ, Partner