

**THIS AGREEMENT is made and entered into as of the _____ day of _____,
2017 by and between the County of Lake ("County") and
PJ Helicopters Inc. ("Contractor").**

- 1. Services to Be Performed:** Contractor agrees to provide the County under the Terms of this Agreement, on as needed basis and providing Contractor staff are available on the request date, one 206 BIII 4 place helicopter, or one MD500 4 place helicopter (depending on there request), one pilot and the ground support personnel required for the services task requested by the County. The purpose would be for reconnaissance and eradication of illegal marijuana gardens which would include external load transport of eradicated marijuana and personnel (short-haul). No flight instruction and/or pilot training shall be provided either directly or collateral to the performance of this agreement.
- 2. Term of Service:** The services to be provided hereunder shall begin the date this Agreement is signed and shall continue through December 31st, 2017.
- 3. Professional Ability of Contractor and Standards of Performance:**
Contractor represents that he/she is professionally qualified and licensed to perform the work to be done as required in this agreement. County relies upon The representations of contractor regarding professional training, licensing, and ability to perform the services as material inducement to enter into this Agreement.

Acceptance of work by the County does not operate to release contractor from any responsibility to perform work to professional standards.
Contractor shall provide properly skilled professional and technical personnel to perform all services under this Agreement. Contractor shall perform all services required by this agreement in a manner and according to the standards observed by a competent practitioner of the profession. All work products of whatsoever nature delivered to the County shall be prepared in a manner conforming to the standards of quality normally observed by a person practicing in Contractor's profession.

- 4. Compensation:** Contractor shall be paid the sum of \$910.00 dollars per every hour of flight service provided by the 206 BIII's 4 place Helicopter or MD500's 4 place Helicopter. The Contractor shall be paid the sum of \$1116.00 per every hour of external load flight service. Additionally, the Contractor shall be paid \$38.00 per hour plus \$1.65 per mile for a fuel truck and driver, if needed. Contract amount not to exceed \$30,000.

5. **Method of Payment:** Contractor shall submit monthly billings to County describing the work performed during the preceding month. Contractor's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. County shall pay Contractor no later than 30 days after approval of the monthly invoice by County staff.
6. **Independent Contractor:** Contractor is an independent contractor and shall not act as an agent or employee of the County, and is not subject to the direction and control of the County except as to final result. Contractor shall obtain no rights to retirement benefits or other benefits which accrue to County's employees, and Contractor hereby expressly waives any claim it may have to any such rights.
7. **Indemnity and Liability:** The County shall not be liable for any damages or injuries caused, nor the costs or expense incurred by the Contractor or its officers, employees and agents in the performance of any of contractor's duties under this agreement. Contractor agrees to defend, indemnify and hold harmless the County, its officers, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries and liability direct or indirect (including any and all cost and expenses in connection therein) arising out of the performance of this Agreement to the extent caused by the negligent acts, errors or omissions of Contractor, except for any such claim arising out of the negligence or willful misconduct of the County, its officers, agents, employees or volunteers.
8. **Insurance:** Contractor, at Contractor's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies with insurers possessing a Best's rating of no less than A: VII:
 - a. Workers' Compensation Coverage. Contractor shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractors' employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the County at least thirty (30) days prior to such change.
 - b. General Liability Coverage. Contractor shall maintain commercial general liability insurance in an amount not less than three million dollars (\$3,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit
 - c. Automobile Liability Coverage. Contractor shall maintain automobile

liability insurance covering bodily injury and property damage for all activities of the contractor arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than one million dollars (\$ 1,000,000) for each accident for bodily injury or property damage.

d. Aircraft Liability Coverage. See addendum A.

e. Professional Liability Coverage. Contractor shall maintain professional errors and omissions liability for protection against claims alleging negligent acts, errors or omissions which may arise from Contractor's operations under this Agreement, whether such operations be by the Contractor or by its employees, subcontractors, or sub-contractors. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis. Said insurance shall remain in full force and effect for at least thirty-six (36) months following the month in which the County accepts the project as complete.

f. Policy Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following specific language:

1) The County of Lake its elected or appointed officers, officials, employees, agents and volunteers are to be covered as insured's with respect to liability arising out of work performed by or on behalf of the Contractor, including materials, parts, or equipment furnished in connection with such work operations.

2) Provide that contractor's insurance shall be primary insurance as respects the County, its elected or appointed officers, officials, employee's, agents and volunteers. Any insurance maintained by the County, including any self-insured retention the County may have, shall not be called upon to contribute to a loss covered by contractor's insurance.

3) This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with the respect to the limits of liability of the insuring company.

4) The insurer waives all rights of subrogation against the County, its elected or appointed officers, officials , employees, agents or volunteers.

5) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County, its elected or appointed officers, officials, employee's agents, or volunteers.

6) The insurance provided by this policy shall not be suspended,

voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the County.

- 7) Include broad-form contractual liability coverage insuring contractor's indemnity obligations under this agreement.
- 8) Be issued on an occurrence basis or other basis determined by County Counsel to be substantially similar to an occurrence basis.
- 9) Be issued by insurers acceptable to County and licensed to transact business in California.
- 10) Be placed with insurers with a Best's rating of no less than A: VII.
- 11) Provide that all liability limits shall be single limit coverage's.
- 12) Provide products/completed operations coverage for three (3) years following completion of Contractor's work under this agreement and acceptance by the County.

g. **Deductibles and Self-insured Retentions.** Any deductibles or self-insure retentions must be declared to and approved by the County before work is begun. At the County's option, Contractor shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

h. **Proof of Coverage.** Prior to beginning work, contractor shall furnish County with copies of its insurance policies and endorsements effecting coverage required by this agreement. Issuing a notice to proceed shall not waive the County's right to strictly enforce the insurance requirements of this agreement.

12. **Compliance with Laws:** Contractor shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.
13. **Licenses:** Contractor represents and warrants to County that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Contractor to practice its profession. Contractor represents and warrants to County that contractor shall, at its sole cost and expenses, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Contractor to practice its profession.
14. **Controlling Law Venue:** This Agreement is made in the County of Lake State of California. The parties specifically agree to submit to the jurisdiction of

the Superior Court of California for the County of Lake.

15. **Written Notification:** Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent prepaid, first class mail. Any such notice, demand, etc., shall be addressed to the other party at the address, set forth herein below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to County: County of Lake
 P.O. Box 489
 Lakeport Ca 95453

If to Contractor: PJ Helicopters Inc.
 903 Langley Way
 Red Bluff, CA 96080

16. **Contractor's Books and Records:**

- a. Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to County for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to contractor to this Agreement.
- b. Contractor shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
- c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the County Counsel the County Auditor or a designated representative of these officers. Copies of such documents shall be provided to the County for inspection at the office of the requesting county officer when it is practical to do so. Otherwise unless alternative is mutually agreed upon the records shall be available at Contractor's address indicated for receipt of notices in this Agreement.
- d. Where County has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Contractor's business, County may, by written request by any of the above named officers, require that custody of the records be given to the County and that the records and documents be maintained by the County at the Board of Supervisors chambers. Access to such records and documents

shall be granted to any party authorized by Contractor, Contractor's representatives or Contractor's successor-in- interest.

17. **Entire Agreement:** This Agreement constitutes the complete and exclusive statement of Agreement between the County and Contractor. All prior written and oral communications, including correspondence, drafts , memoranda, and representations, are superseded in total by this Agreement.
18. **Amendments:** This Agreement may be modified or amended only by a written document executed by both Contractor and County and approved as to form by the County Counsel.
19. **Waiver:** No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.
20. **Execution:** This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by all parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
21. **Effect of Refusal of Board of Supervisors to Enter into Agreement.** It is Understood and agreed by the parties that this Agreement is subject to the review and approval of the Lake County Board of Supervisors upon Notice and Public Hearing. In the event that the Board of Supervisors decline to enter into this agreement, then it is agreed that there is, in fact, no binding agreement, either written or oral, between the parties herein.
22. **Assignment & Subcontracting:** The Parties recognize that a substantial inducement to County for entering into this Agreement is the professional reputation, experience and competence of Contractor. Assignments of any or all rights, duties or obligations of the Contractor under this Agreement will be permitted only with the express consent of the County. Contractor shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the County. If County Consents to such subcontract, Contractor shall be fully responsible to County for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between County and subcontractor nor shall it create any obligation on the part of the County to pay or to see to see to the payment of any monies due to any such Subcontractor other than as otherwise is required by law.

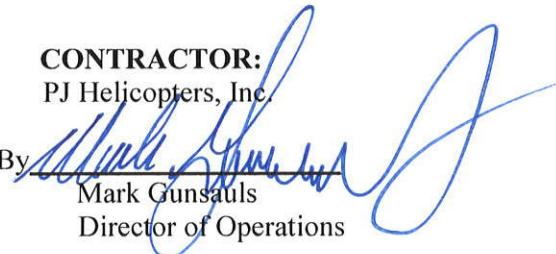
23. **Termination:** This Agreement may be terminated immediately for cause or by either party without cause upon fifteen (15) days' written notice of termination. Upon termination, Contractor shall be entitled to compensation for services performed up to the effective date of termination.
24. **Time is of the Essence.** Time is of the essence for every provision in this Agreement.
25. **Partial Invalidity.** If any provision of this agreement is held to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall not be affected, impaired or invalidated.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

COUNTY OF LAKE:

By _____
Jeff Smith
Chairman, Board of Supervisors

CONTRACTOR:
PJ Helicopters, Inc.

By 
Mark Gunsauls
Director of Operations

APPROVED AS TO FORM:



Anita Grant
County Counsel

ATTEST:

Carol J. Huchingson
Clerk of the Board of Supervisors

By _____
Deputy

Alliant/John F. Throne & Co.

John F. Throne & Co. is a division of Alliant Insurance Services, Inc.

Contract
file

CERTIFICATE OF INSURANCE

CERTIFICATE HOLDER: LAKE COUNTY SHERIFF'S OFFICE
1220 MARTIN ST
LAKEPORT CA 95453

NAMED INSURED: P.J. HELICOPTERS, INC., HELIBRO, LLC, DAVID GUNSAULS, MICHAEL GUNSAULS AND MARK GUNSAULS
903 LANGLEY WAY
RED BLUFF, CA 96080

POLICY PERIOD: FEBRUARY 28, 2017 to FEBRUARY 28, 2018

INSURANCE COMPANY(IES): STARR INDEMNITY AND LIABILITY COMPANY THROUGH STARR AVIATION AGENCY (40%) AND VARIOUS INSURERS AS HELD ON FILE.

AIRCRAFT LIABILITY COVERAGE

LEAD POLICY NO.: SASICOM60010217-07

WITH RESPECT TO: ALL SCHEDULED AIRCRAFT

LIABILITY COVERAGES

LIMITS OF LIABILITY

Bodily Injury Excluding **Passengers**
Property Damage
Passenger Bodily Injury
Single Limit Including **Passengers**,
With **Passenger** Liability Limited To

EACH PERSON

\$
\$ XXXX
\$
\$ XXXX
\$

EACH OCCURRENCE

\$
\$
\$
\$25,000,000.
\$ XXXX

AVIATION COMMERCIAL GENERAL LIABILITY COVERAGE

LEAD POLICY NO.: SASICOM60050817-05

LIABILITY COVERAGES:

LIMITS OF LIABILITY

General Aggregate Limit
Each Occurrence Limit
Products/Completed Operations Aggregate Limit
Personal & Advertising Injury Aggregate Limit
Premises Medical Payments (any one person)
Fire Legal Liability (any one fire)
Hangarkeepers Liability
Hangarkeepers Deductible

N/A
\$25,000,000.
\$25,000,000.
\$25,000,000.
\$25,000.
\$1,000,000.
\$25,000,000.
\$5,000.

each aircraft
each aircraft

\$25,000,000.

each loss

OTHER COVERAGES/CONDITIONS/REMARKS:

- The Certificate Holder is included as an Additional Insured on liability coverage(s), but only with respect to operations of the Named Insured.

ANY INSURANCE EVIDENCED HEREIN THAT IS EXTENDED BEYOND COVERAGE PROVIDED TO THE NAMED INSURED SHALL NOT APPLY TO, AND NO PERSON OR ORGANIZATION TO WHOM SUCH EXTENDED COVERAGE APPLIES SHALL BE INSURED FOR BODILY INJURY OR PROPERTY DAMAGE WHICH ARISES FROM THE DESIGN, MANUFACTURE, MODIFICATION, REPAIR, SALE, OR SERVICING OF THE AIRCRAFT, AIRCRAFT PARTS, OR ANY OTHER PRODUCT BY THAT PERSON OR ORGANIZATION.

THIS CERTIFICATE DOES NOT CHANGE IN ANY WAY THE ACTUAL COVERAGES PROVIDED BY THE POLICY(IES) SPECIFIED ABOVE.

CERTIFICATE NO.: 75

DATE: February 16, 2017

BY:

