

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Environmental Resources

BOARD AGENDA #: *B-2

AGENDA DATE: September 27, 2016

SUBJECT:

Approval to Enter into a Storage License Agreement with California Apiaries, LLC, for Storage of Beehives on Portions of the Geer Road Landfill Property Located at 750 Geer Road, Modesto, CA

BOARD ACTION AS FOLLOWS:

No. 2016-490

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: PAM VILLARREAL, Assistant Clerk

File No.

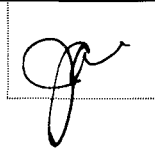
**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Environmental Resources
Urgent Routine

BOARD AGENDA #: *B-2

AGENDA DATE: September 27, 2016

CEO CONCURRENCE: *pht*



4/5 Vote Required: Yes No

SUBJECT:

Approval to Enter into a Storage License Agreement with California Apiaries, LLC, for Storage of Beehives on Portions of the Geer Road Landfill Property Located at 750 Geer Road, Modesto, CA

STAFF RECOMMENDATIONS:

1. Authorize the Director of Environmental Resources, or designee, to enter into a Storage License Agreement with California Apiaries, LLC for storage of beehives on portions of the Geer Road Landfill property located at 750 Geer Road, Modesto, CA.
2. Authorize the Director of Environmental Resources, or designee, to sign future amendments and extensions to the Storage License Agreement.

DISCUSSION:

In 2015, the Department of Environmental Resources was contacted by more than one interested party regarding the possibility of entering into a Bee Storage License Agreement for portions of the Geer Road Landfill property located at 750 Geer Road, Modesto.

Staff discussed the viability of a Bee Storage License Agreement (Agreement) and decided to pursue entering into such an Agreement, which would include certain parameters so that it would not interfere with the landfill operation. These parameters include such stipulations as location of stored beehives, driving only on designated access roads, weed control in those areas the beehives are to be stored, and equipment storage conditions.

On July 1, 2016, a Notice of Intent to Lease for a Bee Storage License Agreement was posted by the Office of the Clerk of the Board, in accordance with Government Code 25537(b) and County Code Section 4.24.010. The Notice described the property proposed to be leased, the terms of the lease, the location where offers to lease the property would be accepted, and any County officer authorized to execute the lease (Attachment A).

On July 15, 2016, the County received one offer from California Apiaries, LLC. The offer includes a payment of \$1.25 per beehive, up to \$1,000 per year, and a one-time consideration payment of \$1,200 for initial license preparation costs. The Department finds this to be an acceptable offer and is recommending authorization to execute a new Bee Storage License Agreement with California Apiaries, LLC, commencing on October 1, 2016, and ending on October 31, 2017, with the option to renew for a three year period (Attachment B).

Approval to Enter into a Storage License Agreement with California Apiaries, LLC, for Storage of Beehives on Portions of the Geer Road Landfill Property Located at 750 Geer Road, Modesto, CA

POLICY ISSUE:

The Board of Supervisor approval is necessary to enter into a license agreement of County-owned property in accordance with Stanislaus County Code 4.24.010 and 4.24.020, Lease of Real Property, pursuant to the provisions of California Government Code Section 25526-25537.

FISCAL IMPACT:

This license agreement will generate \$2,200 in revenue the first year, with a possibility of an additional \$3,000 if the 3 year extension option is utilized.

Cost of recommended action:		\$	2,200
Source(s) of Funding:			
Bee Storage License Fee	\$	2,200	
Funding Total:		<u>\$</u>	<u>2,200</u>
Net Cost to County General Fund		<u>\$</u>	<u>-</u>

Fiscal Year:

2016/2017
No

Budget Adjustment/Appropriations needed:

BOARD OF SUPERVISORS' PRIORITY:

The recommended actions support the Board's priorities of Effective Partnerships, a Strong Local Economy, and a Strong Agricultural Heritage. It allows the County the opportunity to be good stewards over the land while receiving revenue for services rendered.

STAFFING IMPACT:

Existing Department staff will oversee the License Agreement.

CONTACT PERSON:

Jami Aggers, Director of Environmental Resources

Telephone: (209) 525-6770

ATTACHMENT(S):

- A. Notice of Intent to Lease
- B. Bee Storage License Agreement

Attachment A



DEPARTMENT OF ENVIRONMENTAL RESOURCES

3800 Cornucopia Way, Suite C,
Modesto, Ca 95358-9492
Phone: (209) 525-6700
Fax: (209) 525-6774

NOTICE OF INTENT TO LEASE

**BEE STORAGE LICENSE AGREEMENT
GEER ROAD LANDFILL
750 GEER ROAD, MODESTO, CALIFORNIA
STANISLAUS COUNTY, CA
JULY 1, 2016**

STANISLAUS COUNTY HEREBY SERVES NOTICE OF ITS INTENT to offer a Bee Storage License Agreement described as follows: approximately 3.6 acres of property located within the boundaries of the Geer Road Landfill, on portions of the following Assessor's Parcel Numbers: 018-003-021, 009-029-009, and 009-029-12. Awarded Licensee shall be permitted to store beehives on those portions of the Property as delineated and described in the license agreement.

The license term is from September 1, 2016, to August 31, 2017, or as mutually agreed. A sample license agreement is available for review at the e-mail address below.

Offers will be accepted at Stanislaus County Department of Environmental Resources, Attention: Stephanie Musso, 3800 Cornucopia Way, Suite C, Modesto, CA 95358, phone: (209) 525-6786, smusso@envres.org, no later than 2:00 p.m. on July 15, 2016.

The County officer authorized to execute the license: Either the Stanislaus County Board of Supervisors Chairman, the Stanislaus County Chief Executive Officer, or the Stanislaus County Director of Environmental Resources or designee, as determined by the Board of Supervisors.

Attachment B



DEPARTMENT OF ENVIRONMENTAL RESOURCES

3800 Cornucopia Way, Suite C
Modesto, CA 95358
Phone: (209) 525-6700
Fax: (209) 525-6773

BEE STORAGE LICENSE AGREEMENT

This License Agreement is made on September 27, 2016, by and between the County of Stanislaus ("Licensor" or "County") and CALIFORNIA APIARIES, LLC ("Licensee").

RECITALS

Whereas, the Licensor owns certain real property located at, or commonly known as the Geer Road Landfill, 750 Geer Road, Modesto, California (the "Property") and further identified as Assessor Parcel Numbers 018-003-021, 009-029-009, and 009-029-012, approximately 3.6 acres. The Property is further described in Exhibit "A" Description of Property of this License. The use of the Property includes use of the access road described on Exhibit "A" for ingress and egress to the Property ("Access Road"); and

Whereas, pursuant to Government Code section 25537 (b) the Licensor may lease or otherwise allow the use of all or portions of the following described real Property without competitive bidding; and

Whereas, Licensee desires to obtain permission to use a portion of the Property to perform certain limited acts;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereto agree as follow:

TERMS AND CONDITIONS

1. License.

- 1.1. The County hereby permits the Licensee to locate Licensee's beehives on that portion of the Property as delineated and described in Exhibit "A" which is attached hereto and incorporated herein by reference. The County shall have the right to enter upon the Property at any time for the purpose of inspecting the condition of the Property and for verifying compliance by the Licensee with the provisions of this Agreement and all applicable laws.
- 1.2. It is understood that the property interest created by this Agreement may be subject to personal property taxation and that the Licensee will be subject to the payment of property taxes levied on such interest. The Licensee shall pay before delinquency all taxes, assessments or other charges levied or made as a result of the Licensee's possession or use of the Property without contribution by the County, including the Licensee's personal property on the Property.

2. Term

- 2.1. The initial term of this License shall be for the period of one (1) year, commencing at 12:01 a.m. on **October 1, 2016**, and terminating at 11:59 p.m. on **October 31, 2017**, unless terminated sooner as provided in this Agreement.
- 2.2. Option to renew. This Agreement may be renewed at the option of the County for a period of three (3) years from the expiration of the original term and on the same terms and conditions. Such option is to be exercised in writing at least one (1) month prior to the termination of the existing Agreement period. Renewal is subject to negotiation and may be based on the Consumer Price Index (CPI).

2.3. Termination.

- a. Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at the party's option, may terminate this Agreement by giving written notification to the other party.
- b. This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Licensee's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Licensee ceases to be licensed or otherwise authorized to do business in the State of California, and the Licensee fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.

2.4. This Agreement may be relinquished by the Licensee at any time by giving at least 60 days prior written notice to the County. The County may revoke this Agreement and License at any time for cause and upon 90-day written notice without cause. If this License is terminated by either party on a date other than the first day of the License Year identified in Section 3.1, County shall pay Licensee an amount equal to any advance Rent (defined in Section 3.1) paid by Licensee, prorated by the number of whole months remaining in the License Year after the termination date.

3. Payment

- 3.1. Licensee agrees to pay to County and County agrees to accept as payment for the use and possession of the Property **\$1.25** per hive, the sum of **One Thousand Dollars (\$1,000.00)** per year, payable to the "County of Stanislaus" in advance on the first day of **September** of each License year, commencing **September 1, 2016**, at the office of the Department of Environmental Resources, 3800 Cornucopia Way, Suite C, Modesto, California 95358-9494.
- 3.2. Additional One-Time Consideration. Licensee shall pay to County as additional one-time consideration the sum of **\$1,200.00** for initial License preparation costs. The Additional One-Time Consideration fee shall be due within 10 days of the commencement date of this License.

4. Use of Premises

- 4.1. The Property shall, during the term of this License, be used for apiary purposes including the placement, storage, operation and maintenance of beehives and for uses normally incident to such purpose, and for no other purposes. No one other than Licensee, its agents, volunteers and employees is permitted to use the Property for the purposes described in this License, and Licensee shall be fully responsible for the activities of its agents, volunteers and employees on the Property.
- 4.2. Licensee certifies that he is not an apiary broker and has not and will not pay a fee to any apiary broker in connection with this License and/or with leasing the Property in question.

5. Special Conditions

Licensee's permitted use of the Property is subject to the Food & Agricultural Code 29040 through 29056, all federal, state and local laws, statutes, regulations, ordinances, policies and guidelines related to the permitted use. The permitted use includes restrictions and conditions established by the County which may be changed from time to time during this License Agreement, including but not limited to the following:

5.1. Access and Property Use Conditions

- a. Licensee agrees to only locate Licensee's beehives on that portion of the Property as delineated and described in Exhibit "A" which is attached hereto and incorporated herein by reference.
- b. County reserves the right to determine the location of the beehives on the Property and the Licensee shall relocate the beehives on the Property within five (5) days after the County requests the Licensee to relocate the beehives.
- c. Licensee shall follow the below requirements regarding the Access Roads:
 - i. If Licensee is operating a semi-truck, Licensee must use the Triangle Ranch Gate and Triangle Ranch access road to enter and leave the site.
 - ii. If Licensee is operating a smaller vehicle (vehicles that are 25 feet long or less), Licensee may use the main entrance to the site.
 - iii. Licensee shall not take/drive vehicles off the designated access roads or into unapproved areas. If Licensee drives any type of vehicle off the designated access roads or into unapproved areas, Licensee shall be immediately and entirely liable for any and all damages incurred that are actually or proximately caused to the landfill facilities, equipment, and infrastructure as a result of their unapproved activities. Licensee shall be liable to the County for the full monetary value of actual damages suffered as a result of Licensee's unapproved activities. Additionally, Licensee's operation of a vehicle in unapproved areas or off of designated access roads is considered a material breach of this agreement, and the County may exercise its option to terminate the lease. The County's failure to exercise this option at any instance shall not subsequently excuse these types of unapproved activities nor prohibit the County from exercising this option at its discretion at any point in the future.
 - iv. If Licensee is utilizing the Triangle Ranch location, Licensee shall maintain the Triangle Ranch access road so that is free of large tree branches and debris and the road remains passable.
 - v. County reserves the right to restrict use of access roads at any time for any reason.
 - vi. Licensee, his employees and agents shall not enter onto any land in the vicinity not owned by the County without the owner's prior consent. Licensee shall promptly remedy all damage or loss to any property not owned by the Licensee caused in whole or in part by Licensee, by anyone directly or indirectly employed by Licensee, or by anyone for whose acts or omissions Licensee may be liable.
- d. Licensee is aware there is a full-time Consultant on site performing monitoring, sampling, testing, and reporting services for the County. In no manner shall Licensee disrupt the daily work of the Consultant:
 - i. Licensee shall not block or obstruct the Access Road under any condition.
 - ii. Licensee shall not block the doorway to the Scale House and shall ensure there is a reasonable and unobstructed pathway to the doorway of the Scale House. Licensee shall be on notice that the County's hired Consultant(s) require ingress and egress from the Scale House in order to perform their regular duties. (See Exhibit A).
- e. Licensee is aware there are frequent construction projects occurring at the site. At any time before, during, or after an active construction project, County reserves the right to direct the Licensee to remove the beehives from the premises entirely and Licensee shall remove the beehives from the Property within five (5) days after the County requests the

Licensee to remove the beehives. Licensee shall not return the beehives to the Property without prior approval from the County to do so.

- f. Licensee shall be on notice that the County's Public Works Department stores concrete pipes in the vicinity of the Scale House (See Exhibit A). The Public Works Department may need access to the pipes at any time and Licensee shall accommodate Public Work's need access to the concrete pipes.
- g. Licensee shall maintain weeds and grasses in the areas being leased. Licensee shall trim vegetation on the Property in those areas outlined in Exhibit A.
 - i. Licensee may temporarily bring over the counter chemicals on-site for chemical weed control; however Licensee shall not store any hazardous substance or chemicals on-site. Any chemicals used by Licensee shall be transported, handled, and disposed of in compliance with all applicable environmental laws.
 - ii. Licensee shall not dispose of any chemicals or hazardous substance on the property. Licensee shall not permit, create, or suffer the existence of any condition which could subject the County to a "remedial", or "clean-up" action as those terms may be defined by environmental law.
 - iii. The term "hazardous substance" shall mean any chemical or substance deemed hazardous under any of the statues or regulations of any government authority. The term "environmental law" shall mean any federal, state, municipal, or local laws or regulation which governs or relates to the environment, land, use, public health, chemical use, public safety, water, air, wildlife and natural resources.

5.2. Site Availability

- a. Licensee may store their bees on the property during the months of January through December, in accordance with the Access and Property Use Conditions in Section 5.1. Licensee shall remove their bees if the County has requested the Licensee to temporarily remove the beehives from the premises, for any reason.
- b. Licensee shall be provided a key to the site. Licensee may access the site at any time, including after hours and weekends, so long as it is in accordance with the Access and Property Use Conditions in Section 5.1. Licensee shall not access the site if the County has requested the Licensee to temporarily remove the beehives from the premises, for any reason.

5.3. Beehive and Equipment Storage Conditions

- a. The maximum number of beehives Licensee shall be allowed to have on the Property at any one time shall be 800 beehives, so long as this many beehives can be safely stored in the space allotted without inhibiting standard beekeeping practices. Licensee certifies that he is the owner of the beehives. Only beehives owned by the Licensee shall be allowed on the Property.
 - i. Licensee shall keep a report that tracks each beehive drop-off date, number of beehives transported on-site, the beehive removal date, and the number of beehives removed from the site. A copy of this report shall be submitted to the County on an annual basis.
- b. Licensee shall not store any equipment or supplies on the Property with the exception of the following items when used to support the permitted use:

- i. Plastic drums for water storage.
 - ii. Other types of water containers, subject to County's prior written approval
 - iii. A forklift
 - iv. Extractor tools
 - v. Other tools or equipment, subject to County's prior written approval
 - vi. Any required fire-fighting equipment
- c. No water is available on-site. Licensee will need to provide their own water at the site, if needed.
- d. All tools, supplies, equipment that Licensee stores on property must be kept within the allowable licensed area.
- e. Licensee is aware that any supplies, equipment, or property which the Licensee leaves on County property is left vulnerable to possible theft, damage or destruction. County shall not be liable for any damage, expense, or loss to Licensee's supplies, equipment, or property for any reason including but not limited to fire, acts of God, theft, or vandalism. Licensee accepts responsibility for insuring their personal property.
- f. Licensee shall clearly mark beehives with Licensee's name and contact information and be in compliance with the Food & Agricultural Code 29040 through 29056.
- g. Licensee shall report to County any accident or mishap on the Property immediately and under any circumstance within 24 hours or less.
- h. Licensee shall, at its sole expense, remove any swarming bees within a 100 foot radius of the Property immediately and under any circumstance within 6 hours or less of discovery of swarming bees.
- i. Licensee shall at all times comply with all applicable best management practices prescribed by County's Department of Agriculture, Weights, and Measures.
- j. Upon the Commencement Date of this License, Licensee shall be a beekeeper registered with the County's Department of Agriculture, Weights and Measures, and shall maintain registration continually throughout term of this license.

5.4. Improvements.

- 5.4.1. All buildings, structures, installations, facilities or other improvements placed or constructed on the Property by the Licensee shall require prior approval from the County and shall remain the personal property of the Licensee so long as this Agreement is in effect. Upon termination of this Agreement, either through expiration or earlier termination as herein provided, any and all such improvements affixed to the Property shall become and remain the property of the County free and clear of all costs to the County.
- 5.4.2. The County may require the removal at any time of all or any part of any improvements constructed, made or installed. Unless otherwise agreed to in writing, the County may require that any or all improvements be removed by the expiration or earlier termination of this Agreement, notwithstanding their installation may have been consented to by the County. Any other improvement placed upon the Property by the Licensee and not permanently affixed to the Property, shall be removed by the Licensee within 30 days after termination of this Agreement, but if not removed within that period, such improvements shall be treated as abandoned property as provided herein.

- 5.4.3. The County may require the removal at any time of all or any part of any building, structure, installation, or facility which was placed or constructed on the Property by Licensee without prior consent of the County.
- 5.4.4. If the Licensee abandons, vacates or surrenders the Property, or is dispossessed by process of law, or otherwise, personal property belonging to the Licensee and left on the Property, including any improvements, shall be kept for a reasonable time by the County, but in no event longer than 30 days after the County gives the Licensee written notice to remove such property from the Property, after which time, if not so removed, it may be treated by the County as abandoned and may be disposed of by any means deemed appropriate by the County, including sale or disposal at a scrapper or at a landfill. Such procedure is in lieu of any process prescribed by law, including the provisions of Chapter 5 (commencing with Section 1980) of Title 5, Part 4, Division 3 of the California Civil Code, and Licensee specifically waives any rights under said Chapter 5.

6. Assignment

- 6.1. Licensee shall not assign, sublet, encumber or otherwise transfer this License, any right or interest in this License, or any right or interest in the Property without the prior written consent of County. Without the consent of County, any attempted assignment or transfer of this License or any interest therein, either by voluntary or involuntary act of Licensee or by operation of law or otherwise, shall, at the option of County, terminate this License. The Stanislaus County Department of Environmental Resources Director is authorized to grant the consent of Licensee, as required by this paragraph.
- 6.2. The County may accept performance of the Licensee's obligations from any person other than Licensee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of any rent or performance shall constitute a waiver or estoppel of the County's right to exercise its remedies for the default or breach by the Licensee of any of the terms, covenants, or conditions of this Agreement.
- 6.3. The consent of the County to any assignment shall not constitute consent to any subsequent assignment by the Licensee or to any subsequent or successive assignment by the assignee. However, the County may consent to subsequent assignments of this Agreement or any amendments or modifications thereto without notifying the Licensee or anyone else liable on this Agreement and without obtaining their consent, and such action shall not relieve such persons from liability under this Agreement.

7. Insurance requirements

- 7.1. Licensee shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:
 - a. General Liability. Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Licensee under this Agreement or the general aggregate limit shall be twice the required occurrence limit.
 - b. Automobile Liability Insurance. If the Licensee or the Licensee's officers, employees, agents, representatives or sub-licensees utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per

incident or occurrence.

- c. Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Licensee certifies under section 1861 of the Labor Code that the Licensee is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Licensee will comply with such provisions before commencing the performance of the work of this Agreement.

- 7.2. Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Licensee shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Licensee agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Licensee's defense and indemnification obligations as set forth in this Agreement.
- 7.3. The Licensee shall include County, its Officers, Directors, Officials, Agents, Employees and volunteers as Additional Insureds under the General Liability and Auto policy and shall supply specific endorsements for same. The Additional Insured endorsement under the General Liability policy will be the Additional Insured – Owners, Licensees or Licensees – Scheduled Person or Organization ISO Form CG2010 with the current applicable revision date. The Additional Insured endorsement under the Auto Liability will be "where required by written contract". All Insurance policies will include a Waiver of Subrogation in favor of County.
- 7.4. The Licensee's insurance coverage shall be primary insurance regarding County and County's officers, officials and employees. Any insurance or self-insurance maintained by County or County's officers, officials and employees shall be excess of Licensee's insurance and shall not contribute with Licensee's insurance. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to County, its officers, directors, officials, agents, employees and volunteers. Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Any available insurance proceeds in excess of the specified minimum limits required by this Agreement shall be available to County for defense and damages. The indemnity and insurance sections are stand alone and not dependent on each other for coverage limits
- 7.5. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.
- 7.6. The Licensee's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 7.7. Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to County. The Licensee shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.
- 7.8. Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided,

however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; lesser ratings must be approved in writing by the County.

- 7.9. Licensee shall require that all of its sub-licensees are subject to the insurance and indemnity requirements stated herein, or shall include all sub-licensees as additional insureds under its insurance policies.
- 7.10. At least ten (10) days prior to the date the Licensee begins performance of its obligations under this Agreement, Licensee shall furnish County with certificates of insurance, and with original endorsements, showing coverage required by this Agreement, including, without limitation, those that verify coverage for sub-licensees of the Licensee. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.
- 7.11. The limits of insurance described herein shall not limit the liability of the Licensee and Licensee's officers, employees, agents, representatives or sub-licensees.
- 8. Defense and Indemnification
 - 8.1. To the fullest extent permitted by law, Licensee shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Licensee or Licensee's officers, employees, agents, representatives or sub-licensees and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use; provided, however, such indemnification shall not extend to or cover loss, damage or expense arising from the sole negligence or willful misconduct of the County or its agents, officers and employees.
 - 8.2. Licensee's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Licensee to procure and maintain a policy of insurance.
- 9. Public Nuisance. Licensee shall not commit or permit the commission by others of any waste on the Property; Licensee shall not maintain, commit or permit the maintenance or commission of any nuisance as defined in Section 3479 of the California Civil Code; and Licensee shall not use or permit the use of the Property for any unlawful purposes. Licensee shall be subject to Stanislaus County Code section 2.92, "Public Nuisance."
 - 9.1. Bees of any variety shall be considered a public nuisance when they interfere with the normal use of private or public property or have shown unusual aggressive behavior toward a person or animal.
 - 9.2. Whenever nuisance bees are present on County property, or neighboring private property, the Director of Environmental Resources, or designee, may cause a notice to abate the nuisance to be issued, for the purpose of notifying the Licensee of the existence of the nuisance. The notice shall direct that the owner shall, within a period of ten days, abate the nuisance by removing the nuisance bees from the property, or if necessary, destroying the nuisance bees, removing the dead bees, and removing combs and hives. Licensee shall be responsible for all costs associated with any abatement of the nuisance, including extermination of bees.

- 9.3. In the event the Licensee fails, neglects, or refuses to proceed and to endeavor to remove or exterminate the nuisance bees within the time specified herein, the Director of Environmental Resources, or designee, shall at once cause the nuisance bees to be exterminated and destroyed. Licensee shall be responsible for the removal of the dead bees, combs and hives, at the Licensee's expense. Licensee shall be responsible for all costs associated with any abatement of the nuisance, including extermination of bees.
- 9.4. In the case of manifest public danger and/or immediate necessity, the Director of Environmental Resources, or designee, shall have the authority to immediately call a contractor to exterminate the bees without observance of any notice requirements described in Section 9.2. The Licensee shall be responsible for the removal of the dead bees, combs and hives, at the Licensee's expense. Licensee shall be responsible for all costs associated with exterminating the bees.

10. Miscellaneous Provisions.

- 10.1. Notices. All notices permitted or required by this Agreement or by law to be served on or given to either party hereto by the other party, shall be in writing and shall be effective when personally delivered to the party to whom it is directed, or in lieu of personal service, when deposited in the United States mail addressed as follows, or any other address designated by the party:

To County:

Stanislaus County
Department of Environmental Resources
Attn: Stephanie Musso
3800 Cornucopia Way, Suite C
Modesto, CA 95358

To Licensee:

California Apiaries, LLC
Attn: Matt Beekman
5236 Geer Road
Hughson, CA 95326

- 10.2. Alterations. Licensee shall not make or permit any other person to make any alterations to the Property or any improvement thereon without the prior written consent of County.
- 10.3. Inspections by County. Licensee shall permit County's agents, representatives or employees to enter the Property at all reasonable times for the purpose of inspecting the Property to determine whether Licensee is complying with the terms of the License or doing other lawful acts that may be necessary to protect County's interest.

County may, after serving the Licensee ten (10) days prior written notice of failure to comply with the terms of the License in the manner provided for service of notices in this License, enter the Property and take such action, as County deems necessary to protect its interest in this Property.

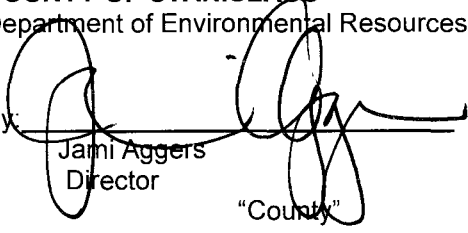
- 10.4. Waiver. Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified or amended as provided herein.
- 10.5. Amendment. This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed by an officer of the Licensee and by the County Director of the Department of Environmental Resources.
- 10.6. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between and of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party

acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.


- 10.7. Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.
- 10.8. Construction. Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had, in fact, drafted this Agreement.
- 10.9. Governing Law and Venue. This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first hereinabove written.

COUNTY OF STANISLAUS
Department of Environmental Resources

By: 
Jami Aggers
Director
"County"

CALIFORNIA APIARIES, LLC

By: 
Matt Beekman
Owner
"Licensee"

APPROVED AS TO FORM:

John P. Doering
County Counsel

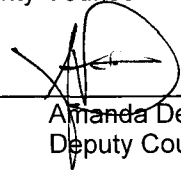
By: 
Amanda DeHart
Deputy County Counsel

EXHIBIT A – SCALE HOUSE LOCATION



EXHIBIT A – TRIANGLE RANCH LOCATION

