



**San Bernardino Valley  
Water Conservation District**

Helping Nature Store Our Water

**Request for Proposals**  
Materials Processing License Agreement

1630 W. Redlands Blvd., Suite A  
Redlands, California 92373  
(909) 793-2503

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## **INTRODUCTION**

### ***General Information***

The San Bernardino Valley Water Conservation District (SBVWCD) is soliciting proposals from qualified firms to provide long-term aggregate materials processing services.

### ***Background and Project Description***

The San Bernardino Valley Water Conservation District (SBVWCD) is soliciting proposals from qualified firms to provide long-term aggregate materials processing services on property owned or managed by the District. The District is an independent special district organized under California Water Code, Division 21, §74000 et seq., with a five-member locally elected Board of Directors. The District's statutory mission includes the conservation of water resources, the management of groundwater recharge, and the responsible use of District lands and facilities. District operations, specifically management and cleaning of 88 recharge basins near the confluence of the Santa Ana River and Mill Creek in western San Bernardino County, generate sand, gravel, and related aggregate materials. In addition, in certain circumstances, additional materials are generated by other entities operating in, on, or near the District's property.

To ensure the efficient, cost-effective, and environmentally responsible processing of these materials, SBVWCD seeks to establish a 10-year agreement with a qualified licensee. The contemplated license will permit the entry of the licensee onto District property; the establishment of temporary aggregate processing facilities in areas approved by the District; the placement, management, and removal of stockpiles of such material, including haul routes and pre-approved stockpiling locations; and to the extent such material as processed is marketable, the sale of such materials from designated, pre-approved locations on District property, with an indexed per-ton royalty being paid to the District.

The materials to be managed fall into three categories:

- **Currently Processed Materials** – Materials previously processed and ready for use or distribution. There are not expected to be any previously processed materials available on January 1, 2026.
- **Currently Stockpiled, Not Yet Processed** – Stockpiled materials located at Mill Creek, within the Borrow Pit, and other District-controlled lands. While there are no stockpiled materials expected to be available near the Santa Ana Groundwater Recharge Facility on January 1, 2026, the following stockpiles are expected to be available at the Mill Creek Groundwater Recharge Facility: 1) Debris (0.020 acres), 2) Unsorted rock, sand and vegetation (6.86 acres), 3) Sand (1.72 acres), 4) Sand and vegetation (1.72 acres), 5) Sand and rock (0.38 acres), and 6) Rock (2.35 acres).

**To Be Generated Materials** – New materials generated by SBVWCD, the County of San Bernardino, or other authorized entities.

Many of the areas of materials processing and stockpiling are adjacent to, or in the vicinity of, sensitive habitat preserve areas or critical habitats for threatened or endangered species, so demonstrated capabilities of prospective bidders' experience in operating in or near areas of such restrictions, and anticipated strategies for assuring compatibility of mineral processing operations with the restrictions posed by such sensitive habitat areas, are desired.

This RFP seeks a partner to process and sell these materials, thereby lowering the costs of groundwater recharge basin maintenance to the District's ratepayers. The selection process is expected to be completed by December 12, 2025.

### ***District's Rights***

During the proposal evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to interview or make oral presentations as part of the evaluation process.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

There are no expressed or implied obligations for the District to reimburse responding firms for any expenses incurred in preparing their proposal in response to this request. Any inquiries concerning the request for proposals should be addressed to Allison Zecher, Administrative Specialist and Board Secretary, at [azecher@sbvwcd.org](mailto:azecher@sbvwcd.org).

### ***Term of Engagement***

The license term is five years, with an option to the District to extend for another five years, with mutual provisions for termination or adjustment.

### ***Termination***

Either party may terminate the license for cause or for convenience. If terminated, the licensee will retain reasonable access to the District's property for a defined period to sell down or remove processed material, to protect capital investment in processed stockpiles.

## **NATURE OF SERVICES REQUIRED**

### ***General***

The Licensee will be responsible for furnishing and operating all necessary equipment, maintaining dust control, and ensuring all operations are conducted in compliance with applicable environmental regulations, safety standards, and District requirements. Work will occur only within District-authorized processing areas and during approved hours of operation.

Services include:

- On-site processing and handling of aggregate materials from recharge basin cleanout and maintenance activities.
- Management and sale of processed materials, with payment of tonnage-based license fees to the District.
- Compliance with District-approved haul routes, hours of operation, and truck trip limits.
- Maintenance of dust, noise, and debris controls.
- Obtaining and maintaining all necessary permits, licenses, and insurance required for operations.
- Adherence to District policies on environmental protection, emergency response readiness, and public safety.

The Licensee shall operate strictly within the boundaries, terms, and conditions set forth in the District's standard Material Processing License Agreement, including all insurance, reporting, and indemnification requirements.

The agreement shall establish an indexed rate structure that adjusts annually and provides for the addition of new material types and corresponding rates as needed, subject to mutual written approval by the District and the Licensee.

### ***Scope of Work***

The selected licensee will be responsible for selling stockpiles of currently processed materials; processing and selling stockpiled and newly generated materials; providing crews, equipment, and support at no cost for emergency response; supplying processed materials to SBVWCD for operational use at no cost; and maintaining records of processed, sold, and supplied quantities.

## **DESCRIPTION OF THE GOVERNMENT**

### ***Name and Telephone Number of Contact Person***

The principal District contact is Allison Zecher, Administrative Specialist and Board Secretary, who can be reached at (909) 793-2503.

## **TIME REQUIREMENTS**

### ***Proposal Calendar***

The proposal schedule is shown below.

- **October 13, 2025** – Release of Request for Proposals
- **October 23, 2025** – Pre-Proposal Meeting (Mandatory)
- **October 31, 2025** – Deadline for Receipt of Proposals
- **November 12, 2025** – SBVWCD Board of Directors Consideration
- **November 20, 2025** – Firm Interviews, if needed
- **December 10, 2025** – Subsequent SBVWCD Board of Directors Consideration (if needed)
- **January 5, 2026** – Notice to Proceed

### ***Selection Notification Schedule***

The selected firm is expected to be notified **by December 12, 2025**.

## **ASSISTANCE TO BE PROVIDED**

SBVWCD will communicate the generation of materials following basin cleaning activities, coordinate delivery of materials by District contractors that are moved to the Borrow Pit, and provide necessary information and staff coordination.

## **PROPOSAL REQUIREMENTS**

### ***General Requirements***

- This RFP does not commit SBVWCD to award a contract or pay costs incurred in preparation of a proposal.
- SBVWCD reserves the right to reject any or all proposals, waive irregularities, or modify the RFP schedule.
- Selected licensee must execute SBVWCD's standard agreement and maintain required insurance.
- The licensee must comply with all applicable federal, state, and local laws and regulations.

### **Inquiries**

The District has endeavored to include all information relevant to this Request for Proposals. Any questions or requests for clarification regarding this solicitation shall be directed to:

Allison Zecher  
Administrative Specialist and Board Clerk  
San Bernardino Valley Water Conservation District  
1630 West Redlands Boulevard, Suite A  
Redlands, CA 92373  
Email: [azecher@sbvwcd.org](mailto:azecher@sbvwcd.org)  
Phone: (909) 793-2503

**CONTACT WITH PERSONNEL OF THE DISTRICT OTHER THAN ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.**

### **Submission of Proposals**

**Four (4) printed copies** of the proposal and **one (1) electronic copy** shall be submitted to [azecher@sbvwcd.org](mailto:azecher@sbvwcd.org) and **received by the District no later than 4:00 p.m. on October 31, 2025**. Proposers are solely responsible for ensuring timely delivery.

Mail or deliver hard-copy proposals to:  
San Bernardino Valley Water Conservation District  
Attention: Allison Zecher  
1630 West Redlands Boulevard, Suite A  
Redlands, CA 92373

Email the digital proposal to [azecher@sbvwcd.org](mailto:azecher@sbvwcd.org).

### **Technical Proposal Elements**

Proposals should not exceed **seven (7) pages**, excluding appendices and resumes. Complete proposals will include the following elements:

- **Approach and Methodology** – Summary of the firm’s proposed approach to processing, managing, and distributing aggregate materials, including operational methods and quality control measures.
- **Firm Qualifications and Relevant Experience** – Description of the firm’s experience with similar material processing, distribution, or sales agreements, particularly for public agencies or utilities.
- **Staffing and Equipment Resources** – Identification of key personnel, their qualifications and roles, and a summary of proposed equipment and resources.

- **Experience in Environmentally Sensitive Areas** – Summary of work performed in or adjacent to environmentally sensitive habitats, including any mitigation or compliance measures applied.
- **Emergency Response and Supply Commitments** – Explanation of how the firm will meet SBVWCD’s emergency response and no-cost material supply requirements.
- **Draft Schedule of Operations and Reporting** – Preliminary schedule outlining proposed operational activities, staffing levels, and reporting frequency.
- **Proposed Rate Schedule** – Detailed proposed rate schedule and the methodology for future rate adjustments for 1) unprocessed material, 2) fill sand, 3) small aggregate (less than 1 inch), 4) medium aggregate (1 inch to 4 inches), 5) large aggregate (4 inches to 12 inches), 6) class 5 boulders (1 to 4 feet), and 7) boulders (4 feet or larger). The Proposed Rate Schedule must specify the proposed unit of measure (e.g., per load, per ton, or per cubic yard) and corresponding rate for each of the material types listed above. Units of measure should be practical, industry-standard, and readily verifiable in the field. Each rate shall include the frequency and effective date of proposed rate adjustments (e.g., annually on July 1), the proposed index or metric (e.g., Consumer Price Index, regional construction materials index, etc.) upon which adjustments will be based, and any proposed limits or caps on annual rate changes.
- **Subconsultants** – List of any subconsultants or subcontractors, their qualifications, and assigned roles (if applicable).
- **Contract Review** – Written acknowledgment of review and acceptance of the District’s sample contract terms, with any exceptions clearly identified and justified.

## **EVALUATION PROCEDURES**

### ***Review of Proposals***

Proposals submitted will be evaluated by the District and will review and evaluate the technical proposal by criteria described in this RFP. The District reserves the right to retain all proposals submitted and may use any idea in a proposal regardless of whether that proposal is selected. The District may select one, or more, or none of the proposing firms.

### ***Evaluation Criteria***

Proposals will be evaluated based on the following criteria.

- Demonstrated experience performing similar materials processing, management, and distribution projects, particularly for public agencies or utilities in the region.
- Qualifications, availability, and experience of key personnel, and adequacy of equipment and other resources to perform the proposed scope of work.

- Proven ability to complete materials processing in or adjacent to environmentally sensitive habitats while maintaining compliance and minimizing environmental impacts.
- Demonstrated understanding of the project scope and the District's mission and objectives; clarity, practicality, and effectiveness of the proposed approach to processing, managing, and distributing materials, including quality control, environmental protection, and emergency response.
- Competitiveness, transparency, and reasonableness of the proposed rate schedule and the methodology for future rate adjustments.
- Acceptance of the District's sample contract terms, with any proposed exceptions clearly identified and justified.
- Completeness, organization, and professionalism of the proposal submission, including adherence to requested format and level of detail.

### ***Interviews and Oral Presentations***

During the evaluation process, the District may, at its discretion, request any or all firms interview and give oral presentations. Such presentations will provide firms with an opportunity to answer any questions the District may have on a firm's proposal. None, some, or all firms may be asked to make such oral presentations.

### ***Final Selection***

The selection of a firm, if any, will be made by the District's Board of Directors.

### ***Right to Reject Proposals***

Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals unless clearly and specifically noted in the proposal submitted and confirmed in the license between the District and the firm selected. The District reserves the right to reject any or all proposals, award to one or more or none of the proposing firms.

## **ATTACHMENTS**

Mill Creek Groundwater Recharge Facility Map of Premises

Santa Ana River Groundwater Recharge Facility Map of Premises

Groundwater Basin Facility Maintenance Material Processing License

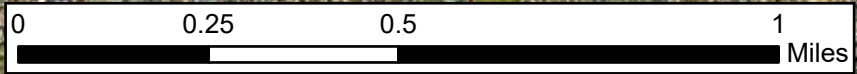
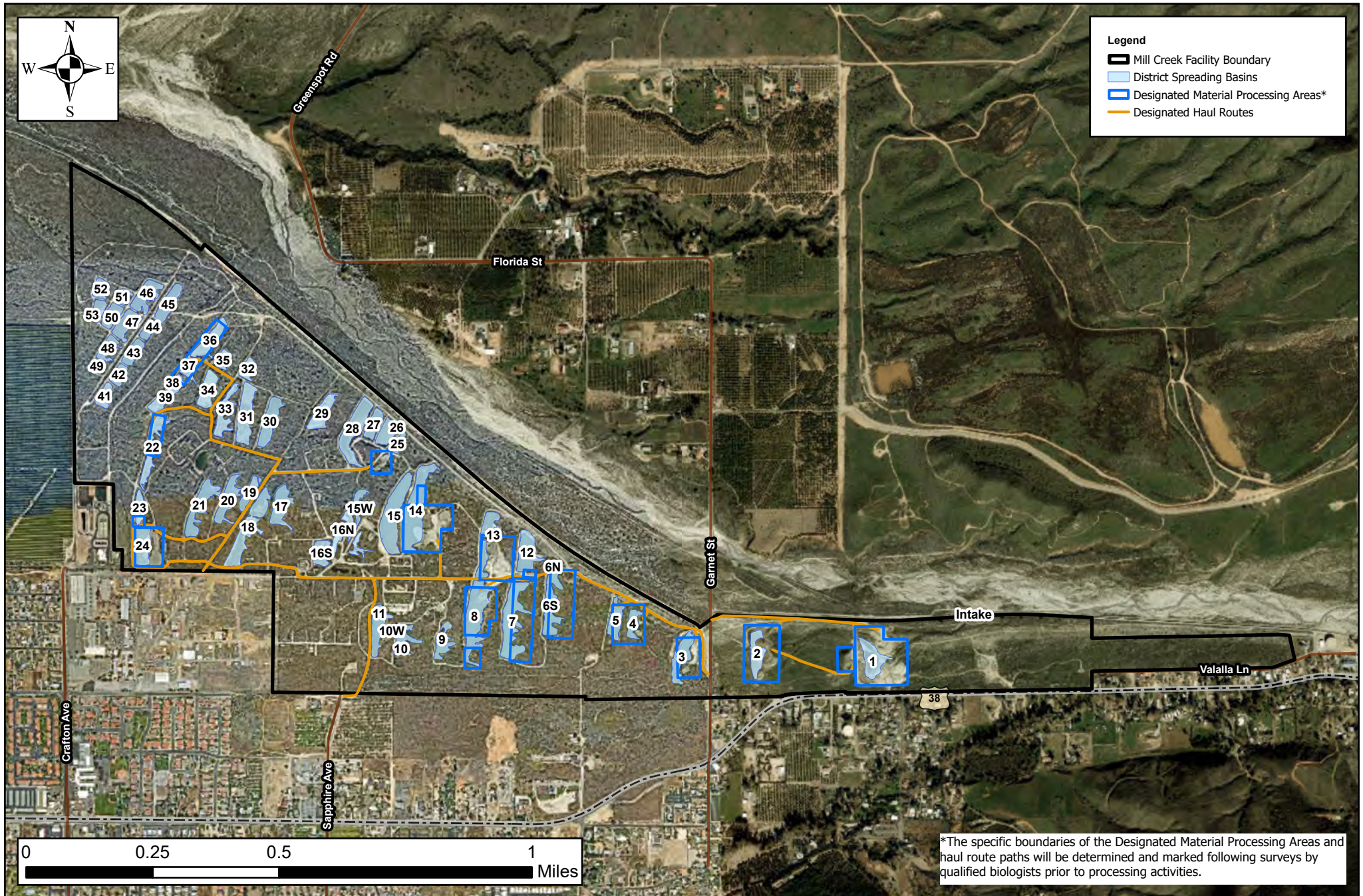
# Mill Creek Groundwater Recharge Facility Map of Premises

Coordinate System:  
 NAD 1983 StatePlane California V FIPS 0405 Feet  
 Projection: Lambert Conformal Conic  
 Datum: North American 1983  
 Source: SBVWCD. CASIL, SBVMWD  
 GIS Contact: Anna Frey  
 M:\Mining and Material Processing\Mill Creek Material Processing RFP  
 October 13, 2025



**Legend**

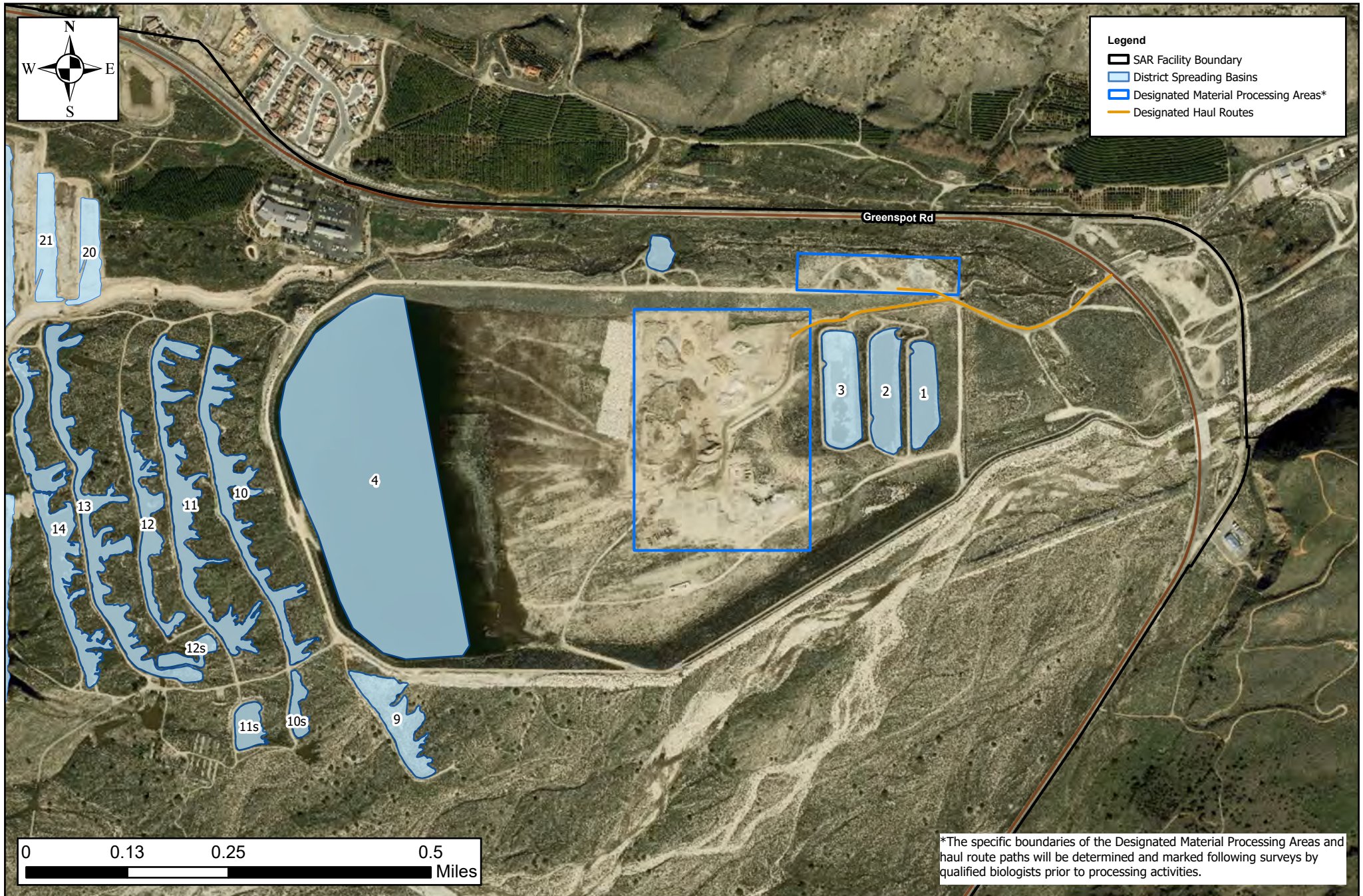
- Mill Creek Facility Boundary
- District Spreading Basins
- Designated Material Processing Areas\*
- Designated Haul Routes



\*The specific boundaries of the Designated Material Processing Areas and haul route paths will be determined and marked following surveys by qualified biologists prior to processing activities.

# Santa Ana River Groundwater Recharge Facility Map of Premises

Coordinate System:  
NAD 1983 StatePlane California V FIPS 0405 Feet  
Projection: Lambert Conformal Conic  
Datum: North American 1983  
Source: SBVWCD, CASIL, SBVMWD  
GIS Contact: Anna Frey  
M: Mining and Material Processing | SAR Material Processing RFP  
October 13, 2025



- Legend**
- SAR Facility Boundary
  - District Spreading Basins
  - Designated Material Processing Areas\*
  - Designated Haul Routes

\*The specific boundaries of the Designated Material Processing Areas and haul route paths will be determined and marked following surveys by qualified biologists prior to processing activities.

**GROUNDWATER BASIN FACILITY  
MAINTENANCE MATERIAL PROCESSING LICENSE**

THIS GROUNDWATER BASIN FACILITY MATERIAL PROCESSING LICENSE (“License”) is made and entered into as of \_\_\_\_\_ 2025, by and between the SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, a California water conservation district formed and operating under the Water Conservation District Law of 1931, Water Code Section 74000, *et seq.* (“District”) and \_\_\_\_\_ (“Licensee”).

**SECTION ONE:  
FUNDAMENTAL LICENSE TERMS**

1.1 District hereby issues to Licensee a License to enter upon those portions of real property owned or controlled by District as depicted on the map included as Section 4 hereto and incorporated herein by this reference (“Premises”), for the purpose or activity specified in Paragraph 1.2, subject to all of the terms, conditions, and limitations herein, including the General and Special License Provisions below.

1.2 Use of Premises:

(a) Permitted Uses. For and during the term of this License, and any extension or renewal thereof, Licensee shall use the Premises for the following purpose(s) or activity(ies): for the crushing (in indicated locations in Section 4 only), cleaning, sorting, stockpiling (in indicated locations in Section 4 only), and processing of, and sale of, previously excavated sand and gravel material located on the Premises. Such uses may include Licensee bringing such equipment on the Premises as is necessary to accomplish the purposes of the License, provided, however, that any construction of structures, roadways, improvements, or fixtures, apart from transportable and removable equipment or personal property, shall require the prior, written approval of the District.

1.3 Term: This License shall commence on \_\_\_\_\_, 2025, and subject to the provisions of paragraph 1.4 below, shall continue in effect until \_\_\_\_\_, 202\_\_ (“Expiration Date”). Except for any Holdover Right, as provided below, this License and the Licensee’s rights hereunder may not be extended beyond the Expiration Date unless such extension is set forth in writing and signed by both District and the Licensee. Notwithstanding the foregoing or any other provision of this License, either District or Licensee may terminate this License with or without cause, or for any reason, at any time, by giving the other party a thirty (30) day written notice of termination. The earlier to occur of the Expiration Date or other termination of this License, pursuant to its terms, shall be the Termination Date. Provided Licensee is not in default of any provision hereunder as of the Termination Date, Licensee shall have the right to remain on the Premises for a period of six (6) months following the Termination Date, for the sole purpose of selling material processed by Licensee and located on the Premises (“Holdover Right”). All License

Fees, as defined below, shall be fully applicable, and fully due and payable, during all periods of the Holdover Right.

**BY PLACING ITS INITIALS HERE, LICENSEE ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE PROVISIONS OF THIS LICENSE THAT ALLOW DISTRICT TO TERMINATE THIS LICENSE AT ANY TIME WITH OR WITHOUT CAUSE AS SET FORTH HEREINABOVE.**

**Licensee:** \_\_\_\_\_

1.4 License Consideration: As consideration for the issuance of this License, Licensee shall pay to District Tonnage License Fees, which fees shall be paid on a per-ton basis for all sand, gravel, or aggregate material sold from the Premises. The Tonnage License Fee shall be paid on a monthly basis, and shall be calculated based on the removal of all sand, gravel, aggregate, or other material processed on the Premises, whether such material originated on the Premises or not, and whether such material was sold directly from the Premises, or exported from the Premises for sale elsewhere. Licensee shall keep accurate records of any material removed from the Premises, and shall remit the tally of all such material removed, and the corresponding Tonnage License Fees, to District, in writing, and signed under penalty of perjury. District shall have the right at all times, to audit the books and records of Licensee to confirm the accuracy of the tallies of material removed from the Premises, and shall likewise at all times have the right, at its own expense, to have the inspectors or other personnel on site on the Premises during Licensee's operations, to monitor Licensee for compliance with the terms of this License, and for confirmation of the accuracy of the tallies provided by Licensee. To the extent that the total Tonnage license Fee in any given month is less than One Thousand Dollars (\$1,000.00) Licensee shall pay in that month a Premises Occupancy Fee of One Thousand dollars (\$1,000.00), in addition to the monthly tonnage License Fees, to the effect that Licensee shall pay to District no less than One Thousand dollars per month for every month this License remains in effect. Any Monthly Premises Occupancy Fee and the Tonnage License Fee, are collectively referred to herein as the "License Fee."

1.5 Notices and Payments: All payments, notices and other writings required to be delivered under this License to either party shall be delivered in accordance with the provisions of Section Two ("General Provisions") to District at the address set forth in Section Two, and to Licensee at the address set forth in this Section One.

1.6 Attachments: This License incorporates by reference the following Attachments to this License:

Section One:	Fundamental License Terms
Section Two:	General License Provisions
Section Three:	Special License Provisions
Section Four:	Map of the Premises
Section Five:	Schedule of License Fees

1.7 Integration: This License represents the entire understanding of District and Licensee as to the License and all other matters contained herein. No prior oral or written understanding shall be of any force or effect with regard to those matters covered by this License. This License supersedes and cancels any and all previous negotiations, arrangements, agreements, or understandings, if any, between the parties, and none shall be used to interpret this License.

IN WITNESS WHEREOF, the parties have executed and entered into this License as of the date first set forth above.

<p><b>SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT</b></p> <p>By: _____ Melody McDonald President</p>	<p>By: _____</p> <p>Name: _____</p> <p>Title: _____ President</p> <p><b>Licensee Information:</b> _____ _____ _____ (____) _____ - _____</p>
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**SECTION TWO:  
GENERAL LICENSE PROVISIONS**

2.1 Payment of License Fee

2.1.1. Transmittal of Payments: Licensee shall make all License Fee payments on a monthly basis, due and payable on the 20<sup>th</sup> of each month following the last day of the month being paid (Net 20<sup>th</sup> of Month) and pay all other sums due under this License, in lawful money of the United States, by check payable to "SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT," and shall personally deliver or mail all payments without any notice or demand to District at the address set forth in Paragraph 2.7.1 below. Licensee assumes all risks of loss or late payment if any payment is made by mail.

2.1.2. No Offsets: All License Fees and other sums due under this License shall be paid without offset or deduction, and shall be deemed payments on account. Neither the payment by Licensee nor the acceptance by District of any License Fee or other sum in an amount which is less than the amount due and payable pursuant to this License, nor the issuance of any statement showing as due and payable an amount less than is properly due and payable pursuant to the terms of this License, shall constitute an agreement by District modifying this License or a waiver of District's right to receive all sums provided for in this License. No endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord or satisfaction, and District shall accept all checks and payments from Licensee without prejudice to District's right to recover the balance of the amount due or to pursue any other remedy in this License or otherwise provided by law.

2.2 Charges for Delinquent Payment of License Fee

2.2.1. If any payment of any License Fee or any other sum due District is not received by District within ten (10) days after the due date, Licensee shall be deemed delinquent in its License Fee payment and a late charge of one and one-half percent (1.5%) of the delinquent amount, plus the sum of One Hundred Dollars (\$100.00), shall become immediately due and payable to District. An additional charge of one and one-half percent (1.5%) of such delinquent License Fee payment (excluding late charges) shall be added for each additional calendar month (or portion thereof) that the delinquent sum remains unpaid.

2.2.2. Licensee and District hereby acknowledge and agree that such late charges do not represent and shall not be deemed to be an interest payment, but that such late charges represent a fair and reasonable estimate of the costs and expenses that District will incur by reason of Licensee's late payment.

2.2.3. Acceptance by District of any delinquent License Fee payment or late charge shall in no way constitute a waiver of Licensee's default with respect to such overdue and delinquent payment, or in any way impair, prevent or restrict District

from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

## 2.3 Use of Premises

2.3.1. Conditions of Use: For and during the term of this License, and any extension or renewal thereof, Licensee's use of the Premises shall be subject to the following conditions, covenants, and restrictions:

2.3.1.1 Except as provided in this License, Licensee shall occupy only the Premises depicted in Section 4, or otherwise as the District may direct or permit, which direction or permission shall be in writing, and shall be required before Licensee undertakes any activity on any other portions of District's property, and only for the purposes specified in Paragraph 1.2 above, and neither the Premises nor any other area of District property District may permit Licensee to occupy shall be used for any other use or purpose whatsoever, without the prior written consent of District.

2.3.1.2 Licensee shall not cause, permit or suffer any "hazardous material," "hazardous waste," or "hazardous chemicals" as those terms are used in CERCLA (42 U.S.C. § 9061(14)) or SARA (42 U.S.C. § 11021(E)) or any Federal, State or local environmental law, statute, ordinance, regulation or order, or otherwise determined by District, to be brought upon, left, used or abandoned on the Premises, including but not limited to asphalt, scrap, metal, tires, trash or other waste.

2.3.1.3 Licensee shall not maintain, commit, or permit the maintenance or commission of any waste or any nuisance (as defined in California Civil Code section 3479) on the Premises, and Licensee shall not use or permit the use of the Premises for any unlawful purpose.

2.3.1.4 Licensee shall not leave, deposit, dump, stockpile, or otherwise place any debris, tailings, fines, silt, dust, or impermeable byproduct of its processing operations within the boundaries of any recharge basin without the express prior written permission of the District. Once processing within a basin has been undertaken, Licensee shall prosecute such work to completion as to materials within such basin, and clear such basin of all temporary equipment and materials before moving on to other basins, to the effect that the work on basins shall be begun and completed in serial fashion, and not with such work being undertaken and interrupted for work in other basins.

2.3.1.5 District or its authorized representative shall have the right at all reasonable times to enter upon the Premises and inspect the general condition of the Premises to determine if Licensee is complying with the terms, conditions, requirements, and provisions of this License.

2.3.2. Utilities and Services: Licensee shall be solely responsible for obtaining all required utility service and for the payment of all utility charges, including but not limited to water and power, supplied to the Premises.

2.3.3. Permits and Approvals: Licensee shall obtain at its own sole cost and expense, any and all governmental permits, approvals, licenses or other authorizations which may be required in connection with the use of the Premises as set forth in this License, including but not limited to approvals for business licenses, use permits, NPDES permits or approvals, waste discharge permits or other requirements, on-site drainage or detention requirements, or any approvals that may be required under the California Environmental Quality Act, Surface Mining and Reclamation Act, any rules or restrictions relating to environmental protection or protection of endangered species, or other provision of law. Licensee shall maintain active, valid California Contractors licenses for the type of work performed. No approval or consent given under this License by District shall affect or limit Licensee's obligations hereunder, nor shall any approvals or consents given by District, in its capacity as a party to this License, be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.

2.4 Insurance: Without limiting Licensee's indemnification obligations, Licensee shall not enter or occupy the Premises, nor shall it permit any subcontractor, sublicensee, or any party claiming by or through Licensee enter or occupy the Premises, each of which is otherwise required to be approved by District pursuant to Section 2.6.3 below, unless and until Licensee has obtained. on behalf of itself and any party claiming by or through Licensee, all of the insurance required herein from a company or companies acceptable to District, and Licensee shall maintain all such insurance in full force and effect at all times during the term of this License and any extension or renewal thereof. Insurance shall be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by District.

2.4.1. Licensee shall at a minimum take out and maintain the following insurance:

2.4.1.1 Workers' Compensation and Employer's Liability Insurance: Licensee shall cover or insure under the applicable laws relating to workers' compensation insurance all of its employees working on or about the Premises, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Licensee shall provide worker's compensation insurance and employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) each occurrence. Such policy of workers compensation insurance shall contain the following separate endorsements:

(a) "Insurer waives all rights of subrogation against the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives and volunteers."

(b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially

changed for any reason by the insurer until thirty (30) days after receipt by the San Bernardino Valley Water Conservation District of a written notice of such cancellation, limitation or reduction of coverage.”

2.4.1.2 Commercial General Liability Insurance providing coverage in the following minimum limits:

(a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence for Bodily Injury, Personal Injury or Death and Property.

(b) Damage Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).

(c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504, or insurer’s equivalent endorsement provided to District), or the general aggregate limit shall be twice the required occurrence limit.

2.4.1.3 Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired, and borrowed automobiles and similar vehicles, providing the following minimum limits:

(a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence for Bodily Injury or Death and Property Damage.

(b) Coverage shall be at least as broad as Insurance Services Office (ISO) Business and Auto Coverage (Form CA 0001) covering any auto.

2.4.2. Endorsements: The policies of liability insurance provided for in Paragraphs 2.4.1.2 and 2.4.1.3 shall specify that this specific License is insured and that coverage for injury to participants resulting from Licensee’s activities is not excluded, and shall be in a form satisfactory to District and contain the following separate endorsements:

(a) “The San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respects to the operations and activities of the named insured at or from the premises of the San Bernardino Valley Water Conservation District. The coverage shall contain no special limitations on the scope of protection afforded to the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives, and volunteers.”

(b) “This insurance policy shall not be suspended, voided, reduced in coverage or in limits, canceled, limited, non-renewed, or materially

changed for any reason until thirty (30) days after receipt by the San Bernardino Valley Water Conservation District of a written notice of such cancellation, limitation or reduction of coverage.”

(c) “This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover a loss under said policy; the San Bernardino Valley Water Conservation District shall not be liable for the payment of premiums or assessments on this policy.”

(d) “Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives, or volunteers.”

(e) “This 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.”

2.4.3. Evidence of Coverage: Licensee shall at the time of the execution of the License present to District the original policies of insurance required by this Paragraph 2.4 or a certificate of the insurance, with separate endorsements (Insurance Services Office Form CG 2026, or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein and copies of all endorsements signed by the insurer’s representative. All policies shall contain the Licensee’s name and location of the Premises on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed complete certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with District. 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.

2.4.4. Review of Coverage: District shall have the right at any time to review the coverage, form, and limits of insurance required under this License. If, in the sole and absolute discretion of District, the insurance provisions in this License do not provide adequate protection for District, District shall have the right to require Licensee to obtain insurance sufficient in coverage, form and limits to provide adequate protection and Licensee shall promptly comply with any such requirement. District’s requirements shall not be unreasonable, but shall be adequate in the sole opinion of District to protect against the kind and extent of risks which may exist at the time a change of insurance is required, or thereafter.

2.4.5. Deductibles: Any and all deductibles must be declared and approved by District prior to execution of this License.

2.4.6. License Contingent Upon Coverage: Notwithstanding any other provision of this License, this License shall be null and void at all times when the

above-referenced original policies of insurance or Certificate of Insurance or Renewal Certificates or Endorsements are not on file with District.

## 2.5 Indemnification

2.5.1. District Not Liable: District shall not be liable at any time for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to any employee, agent or contractor of Licensee, resulting from or arising out of any act or omission of Licensee or of any person or entity holding under Licensee, or the occupancy or use of the Premises or any part thereof by or under Licensee, the physical condition or state of the Premises, or any act or omission in the exercise of any right or the performance of any obligation under this License, or directly or indirectly from any state or condition of the Premises, or any part thereof.

2.5.2. Indemnification: Irrespective of any insurance carried by Licensee for the benefit of District, and notwithstanding any other provision or statement of precedence of this License to the contrary, Licensee shall indemnify and hold District, its officers, directors, employees, representatives and volunteers (collectively "District Personnel") harmless from and against any and all actions, claims, demands, judgments, attorneys fees, costs, damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee, agent or contractor of Licensee) in any way arising out of or in connection with this License, the operations carried on by Licensee on the Premises or any lands to which Licensee has access hereunder, or the occupation or use of the Premises by Licensee or any person or entity holding under Licensee (collectively, "Claims"), whether or not there is concurrent active or passive negligence on the part of District, and/or acts for which the District would be held strictly liable, but excluding the sole active negligence or willful misconduct of District. In connection therewith:

2.5.2.1 Licensee shall defend and hold District and District Personnel harmless from any and all Claims, whether caused in whole or in part by District's active or passive negligence, and/or acts for which District and/or District Personnel would be held strictly liable, but excluding any Claim that results from the sole active negligence or willful misconduct of District or District Personnel; and Licensee shall pay all expenses and costs, including attorneys' fees, incurred in connection therewith.

2.5.2.2 Licensee shall promptly pay any judgment rendered against Licensee or District covering any Claim, and hold and save District and District Personnel harmless therefrom, whether such Claim was caused in whole or in part by District and/or District Personnel's active or passive negligence, and/or acts for which District and/or District Personnel would be held strictly liable, but excluding the sole active negligence and willful misconduct of District and/or District Personnel.

2.5.2.3 In the event District is made a party to any action or proceeding filed or prosecuted for or arising out of or in connection with any Claim, Licensee shall pay to District any and all costs and expenses incurred by District in any such action or proceeding, together with reasonable attorneys' fees.

2.5.2.4 All of the indemnity obligations of Licensee under this Paragraph 2.5.2, or as otherwise set forth in this License, shall survive the expiration or earlier termination of this License.

## 2.6 Legal Relations and Responsibilities

2.6.1. Nature of Relationship: District and Licensee understand and agree that the only relationship between them created by this License is that of Licensor and Licensee, and that this License is a revocable license and not a lease, profit a prendre, or any other interest in the Premises, and does not create, and shall not be construed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between District and Licensee.

2.6.2. Compliance with Laws: Licensee shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the activities of Licensee under this License, or the possession or use of the Premises by Licensee, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Licensee shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, District, its officers, directors, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by Licensee or any person or entity holding under Licensee.

2.6.3. Assignment: The License granted hereby is personal to Licensee. Licensee shall not convey, sublicense, assign, or otherwise transfer its rights under this License to any party or entity, without the prior written consent of District, and any assignment of said License by Licensee, voluntarily or by operation of law, shall automatically terminate this License, unless Licensee has obtained the prior written consent of District, which may be withheld, in its sole and absolute discretion, for any reason or no reason at all.

2.6.4. Acknowledgment of District's Title: Licensee hereby acknowledges the title of District in and to the Premises, including the real property fixtures and improvements existing or erected thereon, and Licensee hereby covenants and promises never to assail, contest or resist District's title to the Premises.

2.6.5. Liens: Licensee shall maintain the Premises free from and clear of any claims, obligations, liabilities, liens, encumbrances, and charges, including but not limited to any claims, liens or charges arising out of or in connection with the furnishing of materials or the performance of labor on the Premises. Licensee further shall

protect and indemnify District and the Premises from and hold them, and each of them, harmless against any and all such claims, obligations, liabilities, liens, encumbrances, and charges.

2.6.6. Taxation: A possessory interest subject to property taxation may be created by this License. It is understood and agreed that if such a possessory interest is created, Licensee shall be responsible for the payment of all property taxes levied on such interest, and that District shall have no responsibility therefor. Licensee shall be solely responsible for any second allotted taxes or charges that may be revised or imposed on Licensee's activities taken hereunder, including any severance or other taxes.

2.6.7. Condemnation. In the event the Premises or any portion of the Premises is acquired under the power of eminent domain, or transferred by way of negotiated agreement in lieu of, or under threat of eminent domain, District shall receive and be entitled to all just compensation that may be awarded for the taking, including but not limited to just compensation for the property taken, any damage for injury to the remainder, and damage for any loss of business goodwill, excepting only damages or compensation specifically awarded for any relocation benefits that may be available to Licensee, and any compensation for tangible personal property losses or improvements pertaining to the realty owned by Licensee, all of which shall be recoverable by Licensee.

#### 2.6.8. District's Reservations

2.6.8.1 District hereby reserves the right to grant easements and rights-of-way for pole or tower lines for transmission of electricity, and easements, leases and rights-of-way for telephone, telegraph, telecommunication facilities, gas, water, sewer and oil lines, for roads and highways, and for other similar uses over and across the Premises at any location or locations within the Premises. In the event Licensee determines that the granting or exercise of any such easement, lease, or right-of-way significantly interferes with Licensee's possession or use of the Premises, Licensee's only remedy shall be to terminate this License upon no less than ten (10) days written notice to District, without further damage claim or other remedy against District. Licensee shall not interfere with any easements or rights-of-way pertaining to or affecting the Premises.

2.6.8.2 District hereby reserves the right to sell, transfer or otherwise dispose of any portion of the Premises at any time. In the event of such sale, transfer or disposition, and notwithstanding any other provision of this License, this License shall, upon the close of escrow or the conveyance of title, terminate as to the portions of the Premises sold, transferred or disposed of, and Licensee shall release the same from the terms of this License and from any encumbrance which results from this License, and immediately remove all of Licensee's equipment or improvement thereon, and shall promptly quit the Premises, in accordance with Sections 2.6.9 and 2.6.10 below.

2.6.8.3 District reserves the right unto itself to perform any and all work involved in protecting, replenishing and/or conserving the basin groundwater supply and any other work necessary to the functions or purposes of District, as set forth in the Water Conservation District Law of 1931, as amended, Water Code Section 74000, *et seq.*, upon any portion, or all, of the Premises, at any time. Such work may be performed without incurring any liability of any nature whatsoever to Licensee and Licensee hereby releases District from, and covenants not to sue District for, any such liability. District further reserves unto itself the rights of ingress and egress over all or any portion of the Premises.

2.6.8.4 This License is nonexclusive. A portion or all of the Premises may be subject to preexisting licenses or other encumbrances, and the District hereby reserves the right to issue licenses to third parties for joint usage of any portion of the Premises for any period of time during the term of this License. The District may issue such licenses without incurring any liability of any nature whatsoever to Licensee and Licensee hereby releases District from, and covenants not to sue District for, any such liability. In the event Licensee determines that the granting or exercise of any said license significantly interferes with Licensee's possession or use of the Premises, Licensee's only remedy shall be to terminate this License upon no less than ten (10) days written notice to District.

2.6.9. Surrender of Possession: At the expiration or termination of this License, whether with or without cause, Licensee shall promptly quit and surrender the Premises in a good state of repair, and shall remove any and all fixtures, structures, equipment, or fixtures placed on the Premises by Licensee, at Licensee's sole cost and expense.

2.6.10. Disposition of Abandoned Property: If Licensee abandons or quits the Premises or is dispossessed thereof by process of law or otherwise, title to any personal property left on the Premises for fifteen (15) or more days after such event shall at District's option, be deemed to have been abandoned and transferred to District. District shall have the right to remove and dispose of any and all such property without liability therefor to Licensee or to any person or entity claiming under Licensee, and District shall have no duty to account for such property. Licensee agrees to reimburse District for any and all costs associated with District in removing, disassembling, transferring, or disposing of Licensee's improvements or personal property pursuant to this Section.

2.6.11. Premises "As-Is": Licensee acknowledges that the Premises are being provided to Licensee on an "as-is" basis, and Licensee takes and occupies the Premises without reliance upon any representation by District, or any of its officers, employees, agents or representatives, or any other person, concerning the Premises, its state of title or fitness for Licensee's intended use or any other particular purpose of use, their income-producing history, potential or capabilities, their value, or any other promise, representation or inducement not expressly set forth in this License.

2.6.12. Disputes: In the event that any action is commenced by a party to this License against the other to enforce its rights or obligations arising from this License or seeking to interpret this License, the prevailing party in such action, in addition to any other relief and recovery ordered by the court, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees. Should District be named in any suit brought by any third party against Licensee in connection with or in any way arising out of Licensee's occupancy or use of the Premises under this License, Licensee shall pay to District its costs and expenses incurred in such suit, including reasonable attorneys' fees.

2.6.13. No Obligation to Third Parties: Execution and issuance of this License shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to, any person or entity other than District and Licensee.

2.6.14. Waiver: Any waiver by any party of a breach of any provision of this License shall not be deemed a continuing waiver or a waiver of any subsequent breach whether of the same or of another provision hereof.

2.6.15. District's Liability on Termination: Licensee hereby waives all damages or claims for damage that may be caused by any action of District in terminating this License (either with or without cause), or taking possession of the Premises as provided in this License or at law, and Licensee waives all claims for damages to or loss of such property of Licensee as may be in or upon the Premises upon the termination of this License.

2.7 Miscellaneous

2.7.1. Notices: Any notice, payment or instrument required or permitted to be given or delivered by this License may be given or delivered by personal delivery or by depositing the same in any United States mail depository, first class postage prepaid, and addressed as follows:

If to District: SAN BERNARDINO VALLEY WATER  
CONSERVATION DISTRICT  
1630 West Redlands Blvd., Suite A  
Redlands, California 92373  
Attn: General Manager

If to Licensee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

or such other person or address as either party may direct in writing to the other; provided, however, that such new or different person or address shall not become effective until acknowledged in writing by the party to who directed. Except where service is by personal delivery or by registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed forty-eight (48) hours after deposit in a United States mail depository.

2.7.2. Warranty of Authority: Each officer of District and Licensee affixing his or her signature to this License warrants and represents by such signature that he or she has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this License, that his or her respective party has the full legal right, power, capacity and authority to enter into this License and perform all of its provisions and obligations, and that no other approvals or consents are necessary in connection therewith.

2.7.3. Headings: The titles and headings of Sections and Paragraphs of this License, as herein set forth, have been inserted for the sake of convenience only, and are not to be taken, deemed or construed to be any part of the terms, covenants or conditions of this License, or to control, limit or modify any of the terms, covenants or conditions hereof.

2.7.4. Time of Essence: Time is of the essence of this License. Failure to comply with any requirement, including but not limited to any time requirement, of this License shall constitute a material breach of this License.

2.7.5. Construction and Amendment: This License shall be construed, interpreted, governed, and enforced in all respects according to the laws of the State of California and as if drafted by both District and Licensee. No amendment, change or modification of this document shall be valid unless in writing, stating that it amends, changes or modifies this License, and signed by all of the parties hereto.

2.7.6. Successors: Subject to the provisions of Paragraph 2.6.3 above, this License, and all of the terms, conditions and provisions herein, shall inure to the benefit of, and be binding upon, District, Licensee, and their respective successors and assigns.

2.7.7. Partial Invalidity: If any term, covenant, condition or provision of this License is held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way affect, impair, or invalidate any other term, covenant, condition or provision contained in this License.

2.7.8. Further Assurances: Each of the parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties hereto.

2.7.9. Precedence: In the event of any conflict between Parts of this License, Part I shall prevail over Parts II, III and IV, and Part III shall prevail over Part II.

[END GENERAL LICENSE PROVISIONS]

**SECTION THREE:  
SPECIAL LICENSE PROVISIONS**

3.1 Processed material and/or aggregate on the Premises shall remain the property of District until such time as it is sold or exported from the Premises, in such a way as to be subject to the Tonnage License Fee.

3.2 Licensee shall furnish its own equipment for the processing of material from the Premises.

3.3 Licensee shall at all times control dust created during Licensee's use of the Premises. Dust control shall be by watering the area where dust may be created and Licensee shall have a water truck on the Premises at all times to carry out the intent of this paragraph. Licensee is responsible for obtaining its own water supply at its own cost and expense.

3.4 Licensee shall not deposit material or aggregates, including sand gravel and rock, on any public roadway(s) or District maintenance roads, and shall be responsible for cleaning such roadway(s) of any such material or aggregates. In the event that Licensee fails to comply with this paragraph and the responsible City, the County of San Bernardino, or Santa Ana Regional Water Quality Control Board requires the District to remove said material or aggregates, District shall invoice Licensee for any cost incurred plus 10% for administrative cost.

3.5 Outside of the Borrow Pit location, Licensee may only process material between the hours of 6:00 a.m. to 6:00 p.m., Monday through Friday, excluding holidays.

3.6 Licensee shall only process excavated and stockpiled materials from designated areas authorized by the District in writing. Licensee shall not operate outside the Premises without written prior approval of the District.

3.7 Outside of the Borrow Pit location, Licensee shall limit all of its processing activities under this License to the period beginning September 15 through the succeeding February 1 of such years when this License is active.

3.8 Licensee shall limit rock crushing and associated activity to the designated areas authorized by the District in writing; Licensee shall not engage in any vegetation disturbance or clearing as a part of, or related to, any rock crushing, loading, or transportation activities; rock crushing and loading shall be limited to the locations identified in Section 4.

3.9 Licensee shall keep a complete record of any noise, dust, or other complaints received regarding its operations under this License, and shall use its best efforts to respond to such complaints promptly, and resolve them to the best of Licensee's ability. Licensee shall provide notice to District of receipt of any such complaint as soon as it is received and shall promptly report to the District all actions

Licensee has taken to resolve such complaints. Failure by Licensee to notify the District, timely respond to, or adequately address, any such complaints shall be grounds for District to terminate this License.

3.10 Truck trips generated by Licensee's hauling of materials under this License on public rights of way shall be limited to sixty (60) round trips daily except for special projects that are approved by the District in advance (e.g. emergency removal of landslide material), and shall be limited to those haul routes on the Premises designated in Section 4 and on other public rights of way as may be previously specified in advance in writing between Licensee and District, and must occur between the hours of 6:00 am and 6:00 pm, except in emergency situations approved in writing in advance by the District. Licensee shall not bring on to the premises, nor permit others to bring on to the Premises, trucks, loaders, processing equipment, or other equipment that exceeds the needs of daily or weekly operations. For hauling over areas that are not public rights of way, Licensee shall be limited to existing maintenance roads and other defined haul routes, and not involve any expansion, extension, or new disturbances of ground surface, and shall be limited to no more than 15 m.p.h., while within the Premises. All truck trips generated by Licensee's hauling of materials occurring under this License shall be limited to such routes over such public rights of way and existing maintenance roads and haul routes as may be specified in writing by District, and shall be limited to routes to and from specified loading locations as agreed upon by the District and Licensee prior to the start of loading activities.

**SECTION FOUR:**  
**MAP OF THE PREMISES**

The Premises are show on the attached maps. The Licensee may operate in Designated Material Processing Areas, which are generally shown on these maps, to address existing stockpiles. The specific boundaries of the Designated Material Processing Areas and haul route paths will be determined and marked following surveys by qualified biologists prior to processing activities. Additional Materials Processing Areas may be designated by the District for areas where stockpiles are generated in the future through preparation and authorization of additional Attachments signed by the General Manager.

**[END MAP OF THE PREMISES]**

**SECTION FIVE:  
SCHEDULE OF LICENSE FEES**

1. Native Material (per load)
2. Fill Sand \$ \_\_\_\_\_ per \_\_\_\_\_
3. Aggregate less than 1" \$ \_\_\_\_\_ per \_\_\_\_\_
4. Aggregate 1" to 4" \$ \_\_\_\_\_ per \_\_\_\_\_
5. Aggregate 4" to 12" \$ \_\_\_\_\_ per \_\_\_\_\_
6. Boulders (4' or larger) \$ \_\_\_\_\_ per \_\_\_\_\_
7. Class 5 Boulders (1'-4') \$ \_\_\_\_\_ per \_\_\_\_\_

Should total license fees fall below \$1000.00 per month for any given month, the premises Occupancy Fee of \$1,000.00 shall be due and owing by Licensee to District for that month, in addition to any Tonnage License Fees.