KNEELAND ROAD (F6F060)
APN 105-022-004

HANSEN-DEGNAN ROCK QUARRY
And
STOCKPILE SITE

LICENSE AGREEMENT

This License Agreement, hereinafter referred to as AGREEMENT, made and entered into this 13th day of December, 2024, by and between HANSEN-DEGNAN PROPERTIES, a California corporation, hereinafter referred OWNER, and the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as COUNTY.

WITNESSETH:

WHEREAS, OWNER represents and warrants that it is the owner in fee of a certain parcel of land all of which is Section 22, Township 2 North, Range 3 East, Humboldt Meridian, also identified by Assessor's Parcel Number (APN) 207-036-001, and as such, has the exclusive right to enter into this AGREEMENT; and

WHEREAS, COUNTY desires to enter upon and use a portion of OWNER'S real property, hereinafter referred to as SITE, as shown on aerial photographs attached hereto as Exhibits A and B, and incorporated herein by reference, for purposes of a surface mining operation; stockpile site, and equipment storage; and

WHEREAS, COUNTY shall perform a surface mining operation consisting of extraction, crushing, and stockpiling of rock for the purpose of maintenance and repairs on COUNTY roads;

NOW, THEREFORE, it is mutually agreed as follows:

1. LICENSE

Through this AGREEMENT, OWNER grants to COUNTY, subject to the terms and conditions set forth in this AGREEMENT, the use of said SITE situated on and identified by APN 207-036-001 located in an area known as Yager Valley of Humboldt County, California, as shown on the attached Exhibits A and B and incorporated herein by reference.

2. LICENSE IS NOT A LEASE

This license is not a lease, but constitutes a mere license agreement and COUNTY is limited to the use of the premises described in clauses (1) and (4).

3. TERM

This AGREEMENT shall commence upon Board approval, with the first term extending from July 1, 2024 through June 30, 2025.

This AGREEMENT shall renew automatically for eleven (11) successive one (1) year terms upon the same terms and conditions herein, unless either party provides written notice of non-renewal to the other party by April 30 of the current term.

4. USE OF PREMISES

OWNER hereby grants COUNTY the right to use said SITE described in clause (1) together with the right of ingress and egress over said portion of OWNER'S real property for access to COUNTY'S surface mining operation, processing/stockpiling activities, and temporary equipment storage.

COUNTY shall have the right to conduct surface mining activities, stockpiling extracted and crushed aggregate produced from said surface mining operation, and temporary equipment storage, necessary for COUNTY'S surface mining operation, stockpiling, and road maintenance activities.

COUNTY shall have the right of access to, and use of stockpiled material as deemed necessary by COUNTY.

COUNTY shall have six (6) months after termination date of this AGREEMENT to remove COUNTY'S stockpiled aggregate material and any stored equipment from said SITE.

5. COMPENSATION

COUNTY agrees to pay OWNER a royalty for the material mined by COUNTY at the rate of one-dollar ($1.25) per cubic yard as per loaded capacity of dump trucks or loader's bucket (in cubic yards) multiplied by the number of truckloads or bucket loads unloaded in COUNTY'S stockpile. COUNTY shall pay royalty payment on a monthly basis, during COUNTY'S surface mining operation.

COUNTY and OWNER agree that in lieu of royalty payment, COUNTY shall compensate OWNER with crushed aggregate valued at Nine Dollars ($9.00) per cubic yard from COUNTY'S mining operation. Said compensation, shall not exceed the total dollar amount of the royalty generated by COUNTY'S surface mining operation in any one (1) year term.

OWNER and COUNTY both agree the COUNTY'S compensation in the form of crushed aggregate to OWNER (in lieu of said royalty payment), shall be measured and computed, again by the loaded capacity of dump trucks or loader's bucket (in cubic yards) multiplied by the number of truckloads or bucket loads unloaded in COUNTY'S stockpile.

COUNTY agrees to pay OWNER a SITE rental fee of Eighty Three Dollars and Thirty Three Cents ($83.33) per month for use of said referred to in clause (1). COUNTY shall pay monthly SITE rent payment in advance on an annual basis, at the sum of One Thousand Dollars ($1,000.00) per fiscal year. Annual SITE rental payment shall be made payable prior to July 1 of each year, with the exception of fiscal year 2024-2025, where payment of One Thousand Dollars ($1,000.00) shall be paid within thirty (30) days of the commencement date of this AGREEMENT.

Site rental payment shall be made payable to:

HANSEN-DEGNAN PROPERTIES
615 MAIN STREET
SAUSALITO, CA 94965-2318

COUNTY'S mined material shall become COUNTY'S personal property upon OWNER'S receipt of payment thereof.

6. OWNERS' ACCESS TO PREMISES

OWNER shall have access to said SITE.

7. MAINTENANCE

COUNTY, at COUNTY'S expense, agrees to maintain SITE and SITE'S haul road, from locked gate to quarry SITE during COUNTY'S surface mining and crushing activities, including removal of stockpiled aggregate during COUNTY'S road maintenance and repair activities.

COUNTY shall be under no obligation to repair or restore the whole or any portion of SITE or SITE'S haul road, which may become damaged resulting from fire, earthquake, the elements, or other casualty.

8. COMPLIANCE WITH LAWS

COUNTY shall conduct all of its operations in accordance with all federal/state/county safety, health, fire, sanitary codes and ordinances, and the terms and conditions of all permits acquired by COUNTY required for COUNTY'S surface mining operation.

9. PERMITS

In consideration of COUNTY'S surface mining operation on OWNERS' property, COUNTY shall acquire and maintain all permits required for the extraction of rock from said quarry for use on COUNTY roads, for emergency and maintenance activities in the general area. Current permits are specific to surface mining activities and do not allow for activities unrelated to surface mining, processing, and storage of aggregates and construction related equipment.

Surface mining operations may consist of extractions not exceeding 25,000 cubic yards per fiscal year but totaling not more than 100,000 cubic yards over the life of the AGREEMENT. Should the extraction maximum or any other permit condition change, COUNTY shall adjust its operation to conform to such change so as to remain in compliance with all permits.

10. COUNTY'S INSURANCE

Without limiting COUNTY'S indemnification provided herein, COUNTY shall procure and maintain, throughout the term of this AGREEMENT, the following policies of insurance placed with insurers with a current A.M. Bests rating of no less than A: VII, or its equivalent, against injury/death to persons or damage to property, which may arise from, or in connection with the activities hereunder of COUNTY, its agents, employees, or sub-licensees:

A. Comprehensive/Liability Insurance

Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of $1,000,000 per occurrence. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit. Said policy shall contain, or be endorsed with, the following provisions:

(1) The OWNER, its officers, employees and agents, are covered as additional insured for liability arising out of the operations performed by or on behalf of COUNTY. The coverage shall contain no special limitations on the scope of protection afforded to OWNER, its officers, agents, and employees.

(2) The policy shall not be canceled or materially reduced in coverage without thirty (30) days prior written notice (10 days for non-payment of the premium) to OWNER by certified mail.

(3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

(4) For claims related to this project, COUNTY'S insurance is primary coverage to the OWNER, and any insurance or self-insurance programs maintained by OWNER are excess to COUNTY'S insurance and will not be called upon to contribute with it.

(5) Any failure to comply with reporting or other provisions of the parties, including breach of warranties, shall not affect coverage provided to OWNER, its officers, employees, and agents.

B. By its signature hereunder, COUNTY certifies that COUNTY is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and COUNTY will comply with such provisions in connection with any work performed on the premises. Any persons providing services with or on behalf of COUNTY shall be covered by workers' compensation (or qualified self-insurance).

11. HOLD HARMLESS INDEMNIFICATION

COUNTY agrees to indemnify and hold harmless and, at its own risk, cost, and expense, defend OWNER from and against any and all liability expense, including defense costs, legal fees, and claims for damages arising from COUNTY'S negligence, intentional acts, or breaches of this AGREEMENT.

OWNER agrees to indemnify and hold harmless and, at its own risk, cost, and expense, defend COUNTY, its Board of Supervisors, officers, agents, employees, and volunteers from and against any and all liability expense, including defense costs, legal fees, and claims for damages arising from OWNER'S negligence, intentional acts, or breaches of this AGREEMENT.

12. NOTICE

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the respective addresses set forth below. Notice shall be deemed communicated five (5) business days from time of mailing if mailed as provided herein.

OWNER	COUNTY
Hansen-Degnan Properties	County of Humboldt
615 Main Street	Department of Public Works
Sausilito, CA 94965-2318	1106 Second Street
	Eureka, CA 95501-0531

13. LICENSE IS PERSONAL

statements to or before COUNTY or OWNER, or intentional failure to make full disclosure on their financial statements or other documents.

17. AGREEMENT MODIFICATION

This AGREEMENT may be modified only by subsequent written amendment signed by COUNTY and OWNER.

18. OWNER NOT OFFICER, EMPLOYEE, OR AGENT OF COUNTY

While engaged in carrying out and complying with the terms and conditions set forth in this AGREEMENT, OWNER is an independent contractor and not an officer, employee, or agent of COUNTY.

19. ATTORNEYS' FEES

If either party shall commence any legal action or proceeding, including an action for declaratory relief, against the other by reason of the alleged failure of the other to perform or keep any provision of this AGREEMENT to be performed or kept, the party prevailing in said action or proceeding shall be entitled to recover court costs and reasonable attorneys' fees (including reasonable value of services rendered by County Counsel) to be fixed by the court, and such recovery shall include court costs and attorneys' fees (including reasonable value of services rendered by County Counsel) on appeal, if any. As used herein, "the party prevailing" means the party who dismisses an action or proceeding in exchange for payment of substantially all sums allegedly due, performance of provisions allegedly breached or other considerations substantially equal to the relief sought by said party, as well as the party in whose favor final judgment is rendered.

20. REAL PROPERTY TAXES

OWNER shall pay all real property taxes, general and special assessments levied and assessed against the property. Any improvements created by COUNTY, by action of this AGREEMENT that may create assessments, shall be the responsibility of COUNTY.

21. WAIVER OF BREACH

The waiver by COUNTY or OWNER of any breach of any provision of this AGREEMENT shall not constitute a continuing waiver of any subsequent breach of the same or a different provision of this AGREEMENT.

22. BREACH, REMEDY FOR

In the event of breach of this AGREEMENT by COUNTY or OWNER, COUNTY and/or OWNER shall have all rights and remedies provided by law.

23. BINDING EFFECT

All provisions of this AGREEMENT shall be fully binding upon, and inure to the benefit of, the parties and to each of their heirs, executors, successors, and assigns.

24. PREVIOUS AGREEMENT SUPERSEDED

This AGREEMENT supersedes the previous license agreements dated October 19, 1982 and August 28, 2012, between the COUNTY and John J. Hansen (now deceased) or Hansen-Degnan Properties.

IN WITNESS WHEREOF, this AGREEMENT shall be executed in triplicate by the parties hereto upon the date first above written.

(SEAL)
ATTEST:
CLERK OF THE BOARD

BY_____

APPROVED AS TO FORM:
COUNTY COUNSEL

BY_____
DEPUTY

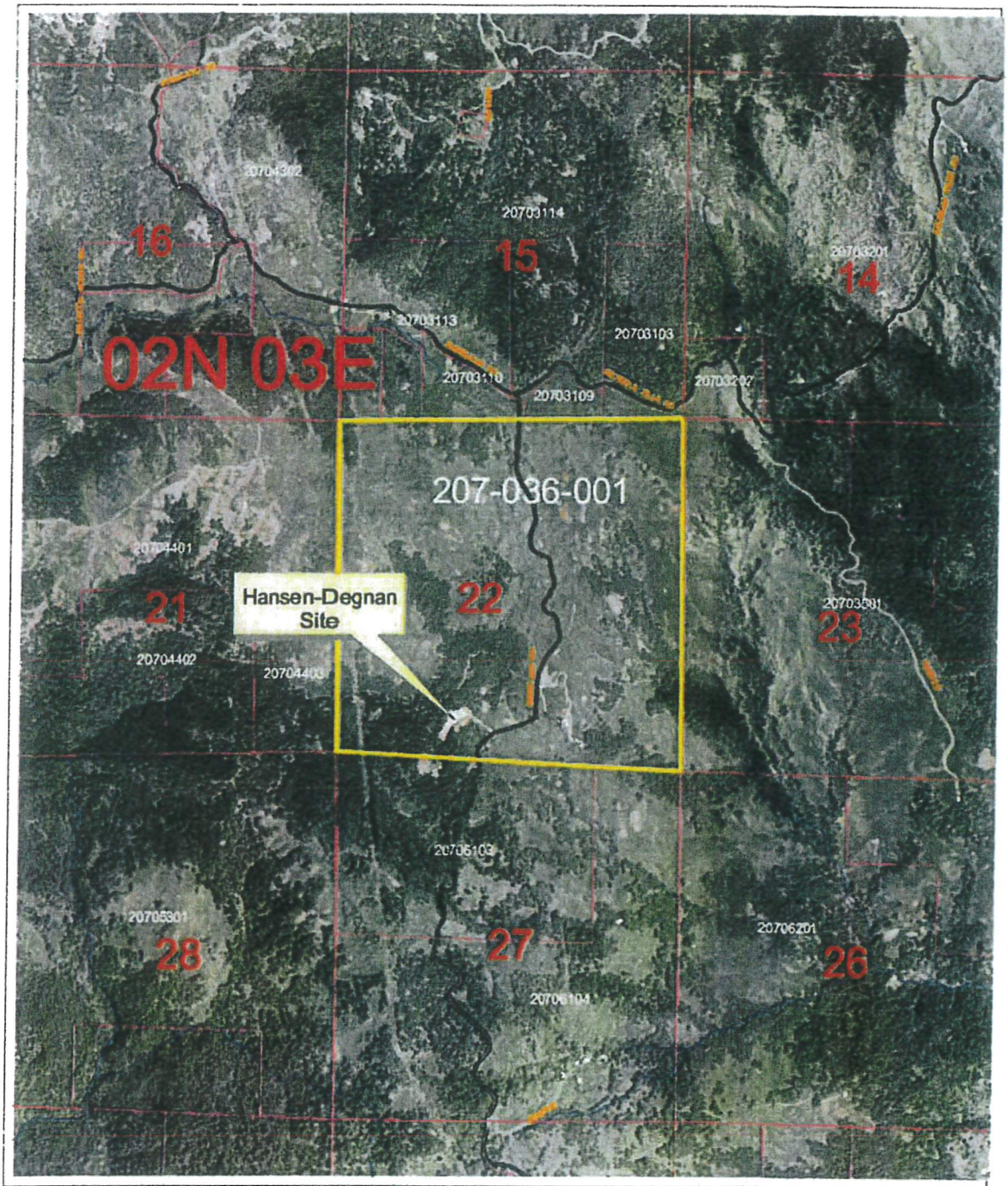
OWNER: Hansen-Degnan Properties

_____
SEAN ~~PAT~~ O'DAY
Title: PRESIDENT

_____
WANDA HANSEN-ASHE
Title: SECRETARY/TREASURER

COUNTY:

BY_____
REX BOHN, CHAIR
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT,
STATE OF CALIFORNIA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Map Disclaimer:
While every effort has been made to assure the accuracy of this information, it should be understood that it does not have the force and effect of law, rule, or regulation. Should any difference or error occur, the law will take precedence.
EXHIBIT A
Humboldt County
Community Development Services

EXHIBIT B

Hansen Quarry