



County Executive Office

S28A

Memorandum

July 14, 2011

To: Darlene Bloom, Clerk of the Board

From: Thomas G. Mauk, County Executive Officer

Subject: Exception to the Rule 21

The County Executive Office is requesting a supplemental for the July 19, 2011 Board Hearing Meeting.

Agency: Sheriff-Coroner
SUBJECT: SNAFUEL Inc. Indemnification and Hold Harmless Agreement
District: 2nd

RECEIVED
2011 JUL 14 PM 3:55
COUNTY CLERK'S OFFICE
ORANGE COUNTY
COURT HOUSE
100 N. GATE
ORANGE, CA 92667

Reason for supplemental: Law Enforcement contract for Helicopter Fuel.

Concur:

Bill Campbell, Chairman, Board of Supervisors

cc: Rob Richardson, Assistant County Executive Officer

**SUPPLEMENTAL AGENDA ITEM
AGENDA STAFF REPORT**



ASR Control 11-001237

MEETING DATE: 07/19/11
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): 2
SUBMITTING AGENCY/DEPARTMENT: Sheriff-Coroner
DEPARTMENT CONTACT PERSON(S): Assistant Sheriff Mark Billings (714) 647-1833
 Captain Tim Moy (714) 647-1854

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SUBJECT: SNAFUEL Inc. Indemnification and Hold Harmless Agreement

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
		Discussion 3 Votes Board Majority

Budgeted: N/A **Current Year Cost:** N/A **Annual Cost:** N/A

Staffing Impact: No **# of Positions:** **Sole Source:** N/A
Current Fiscal Year Revenue: N/A
Funding Source: N/A

Prior Board Action: N/A

RECOMMENDED ACTION(S):

Approve and authorize the County Purchasing Agent or his authorized Deputy, to execute the Indemnification and Hold Harmless Agreement with SNAFUEL Inc. and Aircraft Service International Inc. regarding the County's purchase of aircraft fuel stored at the SNAFUEL Fuel Storage Facility at John Wayne Airport.

SUMMARY:

The Sheriff-Coroner requests approval of the Indemnification and Hold Harmless Agreement with SNAFUEL Inc. and Aircraft Service International Inc. regarding the County's purchase of aircraft fuel stored at the SNAFUEL Fuel Storage Facility at John Wayne Airport.

BACKGROUND INFORMATION:

On June 28, 2011, the Board approved a new contract with Epic Aviation LLC for the purchase of fuel for the Sheriff's Air Support helicopters. Helicopter fuel had previously been provided through the County's contract with ABLE (Airborne Law Enforcement), the joint powers authority between the cities of Costa Mesa and Newport Beach that owned and operated law enforcement helicopters. ABLE dissolved effective June 30, 2011. The contract with Epic Aviation LLC was approved for the period July 1, 2011 through June 30, 2012, renewable annually for four years.

Epic Aviation LLC obtains the helicopter fuel from the SNAFUEL Fuel Storage Facility at John Wayne Airport, which is owned and operated by SNAFUEL Inc. and its facility operator, Aircraft Service International Inc. After the contract with Epic Aviation LLC began, the Sheriff was notified that SNAFUEL Inc. requires that the County execute an indemnification and hold harmless agreement regarding the utilization of the fuel storage facility and the transfer of fuel to the County's helicopters.

FINANCIAL IMPACT:

N/A

STAFFING IMPACT:

N/A

EXHIBIT(S):

Agreement

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

This Indemnification and Hold Harmless Agreement is by and between: County of Orange/Sheriff's-Coroner.

Whose principal place of business is located at: 550 N. Flower St., Santa Ana, CA 92702.

hereinafter referred to as (the "Indemnitor"), SNAFUEL Inc. (Consortium) and it's facility operator, Aircraft Service International Inc. (ASII).

Location: SNAFUEL Fuel Storage Facility at John Wayne Airport/SNA
390 Paularino Ave. Costa Mesa, CA 92626

Date of the Commencement of Services: upon Board of Supervisors approval

The Indemnitor, County of Orange, shall indemnify, defend and hold harmless SNAFUEL Inc. and ASII, it's directors, officers, employees and agents (the "Indemnitees"), from and against any and all claims, damages, losses, fines, civil penalties, liabilities, judgments, costs and expenses of every kind, character or nature whatsoever, as well as costs and expenses incident thereto, including but not limited to court costs and attorneys' fees, arising out of damages or injuries to third parties or their property, including but not limited to injury or death of any person, including directors, officers, agents, employees, damage to or destruction of any real or personal property of SNAFUEL Inc. or ASIG which in any way arise out of the fault or negligence or result from any act(s) or omission(s) by County of Orange or any one directly or indirectly employed by County of Orange in the performance or nonperformance of its obligations in connection with utilizing the facility and its equipment for the transfer of product (fuel) to its truck(s) at the SNAFUEL facility located on John Wayne Airport, in Orange County, California commencing upon Board of Supervisors approval.

The Indemnitor shall provide a provide a Certificate of Insurance and endorsements to the Indemnitee to comply with the insurance requirements as stated in Exhibit A attached hereto.

This indemnification shall not be construed to negate, abridge or otherwise reduce County of Orange liability or obligations under federal, state and local laws, regulations, rules, codes and ordinances with respect to environmental protection. The indemnification obligations of this Agreement shall survive termination or expiration of this Agreement. SNAFUEL and ASII shall give County of Orange prompt and reasonable notice of any such actions and County of Orange shall have the right to investigate compromise and defend the same to the extent of its own interests.

County of Orange

(the "Indemnitor")

By: _____

Printed Name: _____

Title: _____

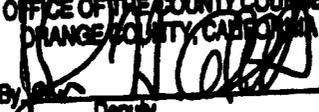
APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA
By: 
Deputy
Date: 07/14/11



EXHIBIT A

<u>TYPE OF INSURANCE</u>	<u>LIMITS OF LIABILITY</u> <u>(minimum amount)</u> <u>Per Person Per Occurrence</u>
A. <u>Comprehensive General Liability</u> (Specifically including completed operations, product liability, contractor's liability, contractual liability and automobile liability for all unlicensed vehicles used on the Airport.)	
Personal Injury (Including Bodily Injury) - Third Parties	A TOTAL COMBINED LIMIT OF PRIMARY AND EXCESS COVERAGES IN THE AMOUNT OF TWENTY MILLION DOLLARS FOR EACH AND EVERY LOSS OVERALL.
Property Damage (Including, but not limited to, coverage for explosion, collapse and underground hazards.)	
B. <u>Comprehensive Automobile Liability</u> (Covering claims arising from all owned, hired and non-owned licensed vehicles.)	A TOTAL COMBINED LIMIT OF PRIMARY AND EXCESS COVERAGES IN THE AMOUNT OF 1,000,000 DOLLARS FOR EACH AND EVERY LOSS OVERALL.
Personal Injury (Including Bodily Injury) - Third Parties Property Damage	
C. <u>Worker's Compensation</u>	Statutory Requirements
D. <u>Employer's Liability</u>	\$100,000 Minimum

EXHIBIT A

INSURANCE CERTIFICATE REQUIREMENT

1. **SNAFUEL and each Contracting Airline, the County, and the Operator shall be named as additional insureds.**
2. **The certificate shall indicate that the liability assumed by Non-Contracting User Airline has been specifically insured under the contractual liability section of the liability insurance policies.**
3. **The certificate shall include a commitment to give SNAFUEL and each Contracting Airline, the County and the Operator not less than 30 days' prior written notice in the event of cancellation or a material change in coverage.**
4. **The liability policy shall be primary without right of contribution from any insurance which is carried by SNAFUEL, the Contracting Airlines, the Operator, or County.**
5. **The insurers agree that coverage provided shall extend to include loss or damage to aircraft.**

01/00/1/00

