

MOTION BY SUPERVISOR HOLLY J. MITCHELL

October 8, 2024

Ballona Creek Trash Interceptor Project

On November 5, 2019, the Los Angeles County (County) Board of Supervisors (Board) approved the motion, “Ballona Creek Trash Public-Private Partnership,” which authorized the Department of Public Works (DPW), acting on behalf of the Los Angeles County Flood Control District (District), to enter into and execute a partnership agreement with The Ocean Cleanup (TOC) to implement the Ballona Creek Trash Interceptor (Interceptor) Pilot Project (Pilot). The purpose of the Pilot was to evaluate the feasibility of the Interceptor as a method of trash capture in Ballona Creek based on certain “Minimum Performance Criteria” (MPC) which was specified in the Pilot partnership agreement. The MPC included: capturing at least 50 percent of floating trash and debris, the ability of the District to effectively operate and maintain the Interceptor, and evaluation of community feedback. The Pilot Partnership agreement further provided for transfer of the Interceptor's ownership from TOC to the District – if both parties confirmed that the MPC was met during the Pilot. In October 2022, the Interceptor was subsequently deployed in Ballona Creek for the Pilot.

During the Pilot (between October 2022 and April 2024), the Interceptor prevented over 248,000 pounds (124 tons) of trash and debris from reaching the Pacific Ocean and local beaches. The amount of trash and debris captured is over twice the anticipated amount of approximately 60 tons, which was based on historical trash capture in Ballona Creek. Stakeholders have shared observations with DPW that the beaches near the

- MORE -

MOTION

SOLIS _____

MITCHELL _____

HAHN _____

BARGER _____

HORVATH _____

Interceptor's site have been cleaner since the Interceptor's deployment. In addition to capturing trash, the Interceptor has provided an educational benefit by highlighting the issue of trash in our waterways and showcasing the innovative approach that the County and the District are taking to reduce trash in Ballona Creek. Community input was essential to the Pilot's achievements and needs to be prioritized for the long-term success of the Interceptor.

Before the Interceptor's official launch, DPW conducted extensive outreach to gather feedback from residents who live, recreate, and enjoy nearby beaches. This ongoing community partnership is crucial as the County leads efforts to implement comprehensive trash solutions that address both upstream and downstream pollution sources. Upstream solutions focus on preventing trash from entering waterways in the first place, and addressing the sources of pollution at their origin through education, community engagement, and infrastructure improvements. Downstream solutions, such as the deployment of the Ballona Creek Trash Interceptor, ensure that any debris that does reach water bodies is captured and removed before it can harm marine ecosystems and public beaches. By integrating both approaches, the County not only mitigates the immediate impact of pollution but also fosters a sustainable environment that promotes the health of local waterways and ensures our public beaches are safe and usable by all. By maintaining a strong dialogue with the community and incorporating their input, we can better adapt our strategies to protect the environment and enhance public spaces for future generations. DPW remains committed to continued engagement with local residents, ensuring that their concerns remain central to these initiatives.

In September 2024, at the end of the Pilot period, DPW provided the Board a report that included an evaluation of the Interceptor with respect to the MPC. The Interceptor's performance during the Pilot shows that deploying, operating, and maintaining the Interceptor in Ballona Creek, at substantially the same location as the Pilot, on an ongoing basis, i.e., implementing a Ballona Creek Trash Interceptor Project (Project), would capture trash and debris floating down Ballona Creek in an effective manner and in doing so, protect the environment and improve the quality of life for residents of the County and beyond.

Throughout the Pilot, TOC provided support for the operation and maintenance of the Interceptor as part of the Pilot Partnership Agreement. Continued collaboration between the District and TOC is critical to the successful implementation of the proposed Project. DPW and TOC have prepared a draft agreement establishing roles and responsibilities of each party for collaboration related to the implementation of the proposed Project.

Based on costs incurred by the District and TOC in association with the operation and maintenance of the Interceptor during the Pilot, the estimated cost for implementation of the proposed Project is \$550,000 annually. Funding for this cost is available in the District's Fund (B07 – Services and Supplies) Fiscal Year 2024-25 Budget. Funding for subsequent fiscal years, which may include increases due to inflation, contingencies, or other reasons, would be requested through the annual budget process if the project is approved. There would be no impact to the County General Fund.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE GOVERNING BOARD OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:

- 1) Find that approval of the Ballona Creek Trash Interceptor Project (Project) and other actions herein, including a determination related to Minimum Performance Criteria (MPC) for the Pilot Project, and delegation of authority to the Chief Engineer of the Los Angeles County Flood Control District (District) or his designee to negotiate and enter into the proposed agreement with The Ocean Cleanup (TOC) are exempt from California Environmental Quality Act (CEQA) because the Project is within certain classes of projects that have been determined not to have a significant effect on the environment in that it meets the criteria set forth in Section 15303 (d) and (e) of the State CEQA Guidelines ("Guidelines") and Class 3 (b) and (l) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, which apply to new construction, including a new small structure. Based on the information obtained during operation of the Pilot Project, the Pilot Project did not result in any significant environmental impacts. In addition, based on the records of the

proposed Project, the proposed Project will comply with all applicable regulations, it is not in a sensitive environment, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable. Documentation in support of the CEQA exemption is available from the Department of Public Works' (DPW) Stormwater Planning Division. The determination related to MPC for the Pilot Project does not include environmental impacts. Upon the Board's approval of the items herein, DPW will file a Notice of Exemption with the County Clerk and with the State Clearinghouse at the Office of Planning and Research pursuant to Section 21152 of the California Public Resources Code and will post the Notice to the County's website in accordance with Section 21092.2;

- 2) Find that the MPC for the Pilot has been met;
- 3) Establish and approve the Project and direct the Director of DPW to implement the Project; and
- 4) Delegate authority to the Chief Engineer of the District or his designee to execute a bill of sale on behalf of the District memorializing the transfer of ownership of the Interceptor from TOC to the District; to negotiate and enter into an agreement with TOC, substantially similar to the attached draft agreement, establishing roles and responsibilities of each party for collaboration related to the implementation of the Project; and to amend the agreement to adjust the parties' roles and responsibilities as the Chief Engineer determines would be beneficial to the District's operation of the Project.

#

(FL/LM)

DRAFT

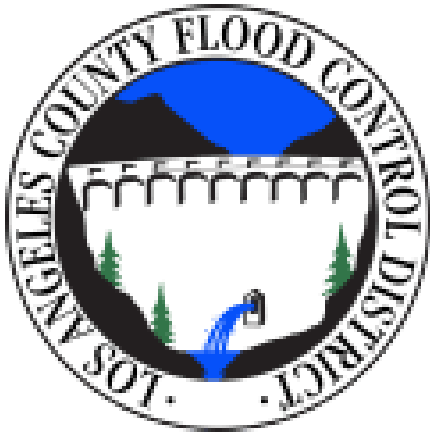
THE OCEAN CLEANUP

and

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

COOPERATION AGREEMENT

XX SEPTEMBER 2024



**THE OCEAN[®]
CLEANUP**

Contents

ARTICLE 1. DEFINITIONS AND CONSTRUCTION..... 4
ARTICLE 2. TERM 5
ARTICLE 3. OWNERSHIP OF, AND RIGHTS TO, THE INTERCEPTOR 5
ARTICLE 4. OBLIGATIONS OF THE PARTIES..... 6
ARTICLE 5. RELATIONSHIP MANAGEMENT..... 9
ARTICLE 6. REPORTING AND DATA 9
ARTICLE 7. COMMUNICATION AND ACTIVATION 11
ARTICLE 8. CRISIS MANAGEMENT 11
ARTICLE 9. LIABILITY 12
ARTICLE 10. CONFIDENTIALITY 13
ARTICLE 11. DISPUTE RESOLUTION, SUSPENSION AND TERMINATION..... 13
ARTICLE 12. DECOMMISSIONING 15
ARTICLE 13. INDEMNITY..... 15
ARTICLE 14. MISCELLANEOUS 16
ARTICLE 15. REPRESENTATIONS AND WARRANTIES OF BOTH PARTIES..... 17

COOPERATION AGREEMENT

This cooperation agreement (this “Agreement”) is made by and between The Ocean Cleanup Interception B.V., a Dutch private company with limited liability (“**The Ocean Cleanup**”) and the Los Angeles County Flood Control District, a body corporate and politic (“**District**”). The Ocean Cleanup and the District may each be referred to as a “**Party**” individually, or the “**Parties**” collectively.

WHEREAS,

- A) The Ocean Cleanup and District entered into an agreement dated 15 November 2019 (“Pilot Project Agreement”), pursuant to which The Ocean Cleanup and District agreed to deploy the Interceptor at the Location (as hereafter defined) as part of a pilot project to capture trash in Ballona Creek free of charge to District, subject to certain conditions;
- B) Pursuant to the Pilot Project Agreement, upon completion of the pilot project, The Ocean Cleanup would transfer ownership of the Interceptor to the District if both Parties reasonably confirmed that the Interceptor met the minimum performance criteria set out in Exhibit C of the Pilot Project Agreement;
- C) District began Operating the Interceptor for the pilot project in October 2022 and concluded the pilot project in October 2024;
- D) Based on the data and other information gathered during the pilot project, both The Ocean Cleanup and District confirmed that the Interceptor met the minimum performance criteria of the Pilot Project Agreement, and concurrently with the execution of this Agreement, The Ocean Cleanup has transferred ownership of the Interceptor to the District pursuant to a bill of sale, attached as Appendix A;
- E) On _____, the District's Board of Supervisors approved a project to deploy, operate, and maintain the Interceptor in Ballona Creek on an ongoing basis and authorized the Chief Engineer of the District or his designee to enter into this Agreement on behalf of the District;
- F) The Parties aim to continue their collaborative relationship, to increase the effectiveness of the Operation of the Interceptor (as hereafter defined), to gather accurate data about plastic pollution, and share lessons learned regarding the Operation of the Interceptor; and
- G) The Parties acknowledge that continued Operation of the Interceptor is subject to regulatory approvals.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereby agree as follows.

ARTICLE 1. DEFINITIONS AND CONSTRUCTION

1.1 The following definitions apply throughout this Agreement, including its Annexes and Schedules:

- a) “**Affiliate**” means, with respect to another person, any person that, directly or indirectly, controls, is controlled by or is under common control with such other person;
- b) “**Agreement**” means this agreement and all accompanying schedules and annexes, as well as to any amendment or supplement to it and any restatement or novation of it.
- c) “**Automatically Gathered Data**” means the data that is collected automatically through sensors, cameras and other apparatus as part of or placed on the Interceptor;
- d) “**Confidential Information**” means information in any form or medium that is not readily ascertainable by the public by proper means, including, to the extent meeting the foregoing definition, information consisting of or relating to a Party’s technology, trade secrets, know-how, business operations, plans, strategies, customers and pricing, information, Automatically Gathered Data and data gathered in the course of this Agreement, and information related to the Operation of the Interceptor, including research and development, documents, reports, studies, compilations, processes and/or other materials, that should be recognized as confidential in its nature, or that a reasonable person knows or reasonably should understand to be confidential.
- e) “**Coverage**” means the proportion of Ballona Creek covered by the deployment of the barrier systems.
- f) “**Effective Date**” means the date on which all Parties have signed this Agreement.
- g) “**Effective Operations**” means the Interceptor is operated in a way which balances efficient uses of resources with the need for extracting trash in a timely manner.
- h) “**Improvement**” means any new inventions, discoveries, adaptations or enhancement related to the Operation of the Interceptor, whether patentable or not.
- i) “**Interceptor**” means the river cleanup equipment developed by The Ocean Cleanup with serial number 007;
- j) “**Key Supplier**” means any person who provides any service to District that is essential for the Operation of the Interceptor;
- k) “**Lifting Frame**” means the dedicated frame used to lift the Interceptor in and out of the water for deployment, maintenance, decommissioning, or other activities related to the operation of the Interceptor.
- l) “**Losses**” means all claims, suits, losses, damages, liabilities, costs, taxes, levies, duties, penalties, interest and expenses, including legal costs and reasonable counsel fees;
- m) “**Location**” means within Ballona Creek, approximately 500 feet downstream of the Pacific Avenue Bridge;

- n) **“Operation of the Interceptor”** means the deployment, use, safe operation and (routine and non-routine) maintenance of the Interceptor including the collection, management and disposal of Waste collected by the Operation of the Interceptor, and to “Operate the Interceptor” and “Operating the Interceptor” will have the corresponding meanings;
- o) **“Operations and Maintenance Manual”** means the operations manual provided by The Ocean Cleanup as may be revised from time to time pursuant to Section 4.1.e, below;
- p) **“Project Manager”** means a manager appointed by the District who shall be the primary person responsible for the District’s fulfillment by District with the requirements on the District;
- q) **“Responsible Approach Practically Available”** means the use of methods that minimize impacts to public health, safety and the environment;
- r) **“The Ocean Cleanup Group”** means Stichting The Ocean Cleanup and its Affiliates;
- s) **“The Ocean Cleanup Story Materials”** means the materials made available by The Ocean Cleanup or any of its Affiliates in the Media Gallery on the website <https://theoceancleanup.com/>, as will be updated and amended from time to time;
- t) **“The Ocean Cleanup Trademarks”** means all trademarks of The Ocean Cleanup and its Affiliates, including THE OCEAN CLEANUP and INTERCEPTOR;
- u) **“Waste”** refers to materials extracted by the Interceptor. It comprises plastic waste, other waste (all materials discarded after primary use or no longer used by their owner.), natural organic matter, and unwanted non-human-discarded materials (e.g., invasive hyacinths).

ARTICLE 2. TERM

- 2.1 This Agreement becomes effective on the Effective Date and remains in force unless terminated in accordance with the provisions of Article 11 (DISPUTE RESOLUTION, SUSPENSION AND TERMINATION) (the **“Term”**).

ARTICLE 3. OWNERSHIP OF, AND RIGHTS TO, THE INTERCEPTOR

- 3.1 All Intellectual Property Rights vested in the Interceptor and The Ocean Cleanup Trademarks are the exclusive property of The Ocean Cleanup. District shall not reproduce, license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, or otherwise commercially exploit any technical knowledge, information, know-how, specifications, processes, trade secrets and data relating to the Interceptor and the Operation of the Interceptor, other than as expressly permitted by this Agreement.
- 3.2 Unless expressly approved in writing by The Ocean Cleanup, the District shall not reverse engineer the Interceptor or any part of the Interceptor, shall prohibit all District contractors performing work in connection with the Interceptor from reverse engineering the Interceptor or any part of the Interceptor, and shall promptly notify The Ocean Cleanup if the District becomes aware that any third party has or is attempting to reverse

engineer the Interceptor or any part of the Interceptor. This restriction shall survive the termination of this Agreement.

- 3.3 The Ocean Cleanup grants to the District a non-exclusive, non-sublicensable, and non-transferable license to use any and all Intellectual Property related to the Operation of the Interceptor during the Term. This license shall terminate concurrently with the termination of this Agreement.

ARTICLE 4. OBLIGATIONS OF THE PARTIES

4.1 Obligations of The Ocean Cleanup:

- a) The Ocean Cleanup may propose potential purchasers of the plastic waste collected through the Operation of the Interceptor and the District may, in its sole discretion and in accordance with all applicable laws, enter into agreements with such purchasers, the revenues of which will be for District. The District acknowledges that The Ocean Cleanup may, in its sole discretion and cost, acquire the plastic waste collected through the Operation of the Interceptor pursuant to this Section, Section 4.2, paragraph “k”, and Schedule 1.1 below.
- b) The Ocean Cleanup shall use reasonable endeavors to support District in undertaking Improvements to increase performance of the Interceptor and in particular investigate, together with District, methods for optimization of the Operation of the Interceptor.
- c) The Ocean Cleanup shall share with District lessons learned and best practices that The Ocean Cleanup has gathered or will gather in the future with respect to the operation of Interceptors deployed in other parts of the world, as deemed relevant and appropriate by The Ocean Cleanup to share with District.
- d) Within 90 days of execution of the Agreement, The Ocean Cleanup shall provide the latest version of the Operations and Maintenance (O&M) Manual and any supporting documentation detailing the troubleshooting process for Interceptor error codes and replacement of Interceptor components, including but not limited to mechanical and electric components.
- e) The Ocean Cleanup shall provide additional updates to the O&M Manual and supporting documentation promptly upon identifying new errors; issues; or agreed upon upgrades, per Section 4.1.f, below. The District may propose and draft revisions to the O&M Manual for The Ocean Cleanup’s approval, including revisions due to the identification of methods that optimize the Operation and maintenance of the Interceptor. The Ocean Cleanup shall not unreasonably deny any such proposals and upon approval by The Ocean Cleanup, shall be deemed to be incorporated into the O&M Manual.
- f) The Ocean Cleanup may propose changes and/or upgrades to the Interceptor from time to time. The District, in its reasonable discretion, may agree to or decline any such proposed changes or upgrades. If the District agrees to any substantial changes and/or upgrades made to the Interceptor proposed by The Ocean Cleanup, The Ocean Cleanup shall provide training, directly or through third parties, on the operation and maintenance of the Interceptor to District staff and the District’s contractors related to those changes or upgrades.
- g) The Ocean Cleanup, directly or through third parties, shall provide assistance for troubleshooting Interceptor software and hardware errors and issues related to the

maintenance of the Interceptor that the District is unable to resolve by reference to the updated O&M Manual within five (5) working days. The Ocean Cleanup shall contact – at its sole discretion and at its reasonable expense - third parties for their assistance with troubleshooting. For the avoidance of doubt, the Parties agree that District shall remain responsible for the actual performance and expenses of maintenance and repairs.

- h) In case the District is unable to procure Interceptor components through its standard procurements processes or the standard spec part is not available for direct replacement (in accordance with Section 4.2.g below), The Ocean Cleanup shall provide timely assistance with sourcing alternative components, technical evaluation and recommendations regarding the adequacy of parts that may be used; provided, however, that The Ocean Cleanup shall (x) not be obligated to provide engineering design work or reprogramming work if the District determines to proceed with use of an alternative component; or (y) be held liable for the inability of the Parties to procure alternative components.
- i) The Ocean Cleanup may onboard the Interceptor for its fundraising, media, research and/or public relations purposes, alone or with visitors, by requesting approval of the District for such a visit at least 10 business days (Monday to Friday) prior to the proposed date of the visit, including the number of visitors and length of visit. Such visit shall be deemed authorized unless the District notifies The Ocean Cleanup that the District denies the request for operational, safety, or other reasons within the reasonable discretion of the District, not later than five (5) business days prior to the proposed visit. The District shall not unreasonably deny any such request. The Ocean Cleanup shall provide the District with a liability release letter from each visitor prior to onboarding the Interceptor or, if a liability release letter is not provided for a visitor, The Ocean Cleanup shall indemnify, defend and hold the District harmless from and against any claims and liability related to that visitor.
- j) The Ocean Cleanup shall use its best endeavors to support maintenance and repair of software (such as website and app requirements) for ongoing O&M for the Interceptor to the extent feasible and practicable to the sole discretion of The Ocean Cleanup, in consideration of budgetary and financial resources.

4.2 Obligations of the District:

- a) The District shall be responsible for all costs and expenses related to the Operation of the Interceptor, except as otherwise explicitly set out in this Agreement;
- b) The District shall use all reasonable efforts to obtain regulatory approvals needed for the continued Operation of the Interceptor.
- c) The District, to the extent feasible and practicable, shall Operate the Interceptor in accordance with the Operations and Maintenance Manual and the Responsible Approach Practically Available and in a manner that maximizes Coverage and Effective Operations. The determination of what is feasible and practicable shall be within the sole, reasonable discretion of the District, in consideration of factors related to the District's budgetary and financial resources, staffing and personnel, public and worker safety, permit conditions or other directives from regulatory agencies, other public uses of the Ballona Creek channel, and/or community or other stakeholder comments or /concerns. District shall notify The Ocean Cleanup within three (3)

business days if it deviates from Operating the Interceptor in accordance with the Operations and Maintenance Manual. In the event the District deviates from Operating the Interceptor in accordance with the Operations and Maintenance Manual, The Ocean Cleanup shall have no obligations pursuant to Section 4.1, paragraph “g” related to such deviations in Operation of the Interceptor in accordance with the Operations and Maintenance Manual.

- d) District shall comply with the provisions included in Schedule 1 (Sponsorship provisions).
- e) District will notify The Ocean Cleanup when offloading is anticipated to occur and shall use reasonable endeavors to allow The Ocean Cleanup to retrieve and extract samples during offloading operations as long as sampling does not unreasonably impact or delay offloading operations.
- f) The District shall deploy the Interceptor at the Location but may propose changing the deployment location to accommodate changed circumstances in Ballona Creek or the Ballona Creek Watershed, budgetary, staffing/personnel, or safety related considerations or community comments/concerns. The District shall not change the deployment location of the Interceptor without concurrence from The Ocean Cleanup, which concurrence shall not be unreasonably withheld.
- g) For the replacement of components that have been damaged or are anticipated to need replacement in the future, the District shall use reasonable endeavors to procure and replace components like-for-like. If the District, despite using reasonable endeavors, is unable to procure like-for-like components, the District may procure and replace components with substantially equivalent components.
- h) The District may implement Improvements from time to time, in its reasonable discretion. If the District implements an Improvement, the District shall share with The Ocean Cleanup details of the Improvement. District shall not apply for any intellectual property rights with regard to any Improvements and, all rights and titles to and all interests in any intellectual property rights related to the Improvement shall be deemed assigned to The Ocean Cleanup, and The Ocean Cleanup shall grant the District a non-exclusive, non-sublicensable and non-transferable license related to the intellectual property rights related to the Improvement for so long as the District owns the Interceptor.
- i) The District may temporarily suspend the Operation of the Interceptor, from time to time, in its reasonable discretion, to accommodate any budgetary, staffing/personnel, or safety related considerations, permit conditions or other directives from regulatory agencies, other public uses of the Ballona Creek channel, or community comments/concerns. Any temporary suspension under this paragraph shall not exceed one storm season.
- j) The District may, in its sole, reasonable discretion, permanently cease the Operation of the Interceptor. If the District determines to permanently cease the Operation of the Interceptor, it shall provide not less than 180 days prior written notice to The Ocean Cleanup and this Agreement shall terminate in accordance with Section 11.3.
- k) The District shall ensure that any agreements it has with waste haulers include a provision prohibiting the waste hauler from selling any plastic waste collected through the Operation of the Interceptor without first notifying The Ocean Cleanup

and providing The Ocean Cleanup a reasonable opportunity to acquire the plastic waste from the waste hauler.

- 1) The District shall grant access to and right of use of the Lifting Frame to The Ocean Cleanup, its global or local partners and any third parties engaged by The Ocean Cleanup in relation to potential future deployments of Interceptors or other river cleaning solutions in the state of California, at The Ocean Cleanup's sole cost and expense, provided The Ocean Cleanup provides not less than 3 business days (Monday to Friday) advance written notice to the District.

ARTICLE 5. RELATIONSHIP MANAGEMENT

- 5.1 The Project Manager and the relevant appointee from The Ocean Cleanup shall hold a meeting each calendar quarter to discuss matters concerning the Operation of the Interceptor. For The Ocean Cleanup, this appointee shall be the Central Operations Manager LA, unless The Ocean Cleanup otherwise informs the District. The District's Project Manager shall be Christine Quirk, unless the District otherwise informs The Ocean Cleanup. If the Parties agree that fewer meetings are necessary, the Parties shall reduce the frequency of these meetings.
- 5.2 The Parties shall also meet, at a frequency mutually agreed to by the Parties' respective representatives, to discuss the matters described in Article 7. For The Ocean Cleanup, the relevant appointee for such matters shall be Anouk Klapwijk, unless The Ocean Cleanup otherwise informs District, and for District the relevant appointee for such matters shall be Kerjon Lee, unless the District otherwise informs The Ocean Cleanup.

ARTICLE 6. REPORTING AND DATA

- 6.1 The Ocean Cleanup owns, maintains, and is responsible for the proprietary Interceptor software and programming to remotely collect the Automatically Gathered Data from the Interceptor at all times. The District will operate the necessary communication equipment to collect the Automatically Gathered Data. For Automatically Gathered Data through the cameras placed on the Interceptor ("Obscape Cameras"), The Ocean Cleanup does not own the software and programming, yet has access to the data provided by Obscape.
- 6.2 The Ocean Cleanup hereby agrees to make available to agreed-upon employees of the District and any required third-party service provider (each, an "Authorized User") access to view the Automatically Gathered Data by the Obscape Cameras to monitor the Interceptor in connection with the Operation of the Interceptor. The Automatically Gathered Data captured by the Obscape Cameras is stored on Obscape's servers, and Obscape has made such Sensor Data accessible via the Obscape Data Portal available at <https://obscape.com/portal/login> (the "Portal").
- 6.3 The District shall not, and shall ensure its Authorized Users shall not, access the Obscape Cameras, Automatically Gathered Data or Portal for purposes beyond the scope of (i) the rights granted in this Agreement, and (ii) any obligations and parameters set forth by Obscape to the District during the District's use of the Portal.
- 6.4 The District shall not, and shall ensure its Authorized Users shall not, directly or indirectly: (i) copy, modify, download, transfer, reproduce, or otherwise process any of

Automatically Gathered Data, or (ii) use the Portal or any of the data contained therein in a manner that violates any applicable law, the terms of the Obscape Agreement, or any terms presented by Obscape to the District during the District's use of the Portal.

- 6.5 If the collection and communication of the Automatically Gathered Data is hindered due to equipment, for whatever reason, District shall use reasonable and practicable efforts to repair, troubleshoot, or replace the respective equipment in order to reinstate the communication and gathering of such data.
- 6.6 If the proprietary software systems or programming are hindered, The Ocean Cleanup shall use reasonable and practicable efforts to notify and resolve software and or programming issues in a timely manner if issues are presented in The Ocean Cleanup's proprietary systems, or in liaison with Obscape if issues are presented with the Obscape cameras.
- 6.7 If The Ocean Cleanup, or any third party appointed by The Ocean Cleanup, proposes to install new sensors, cameras or measurement equipment on the Interceptor or on adjacent property owned by the District, The Ocean Cleanup, or third party appointed by The Ocean Cleanup, shall apply for a permit from the District, which District shall not unreasonable deny. The costs for the installation and usage of such new sensors, cameras and other measurement equipment will be the responsibility of The Ocean Cleanup. Additionally, The Ocean Cleanup shall be responsible for obtaining the approval from all applicable regulatory agencies and other parties.
- 6.8 All Automatically Gathered Data is the exclusive property of The Ocean Cleanup. The District agrees that it will, and will cause any Authorized User, to maintain confidentiality and security on the Automatically Gathered Data pursuant to Section 10 below. District must receive explicit permission from The Ocean Cleanup prior to the disclosure of any such data to non-District parties; provided, however, that the District may disclose such data to proposers or bidders in a contract solicitation or to District contractors, for work or services related to the Operation of the Interceptor, to extent reasonably necessary to the formulation of a proposal or bid or performance of the contract work, provided the proposers or bidders are subject to the same confidentiality requirements of the District under this Agreement pursuant to Article 10 below. The Ocean Cleanup may not unreasonably withhold or delay such permission. All data referred to above may be subject to requests for disclosure made under the California Public Records Act and any such requests received by the District shall be subject to the provisions of Section 10.2, below.
- 6.9 District shall provide the following information as soon as is reasonable and practicable to The Ocean Cleanup:
 - a) activities, alerts, issues and status of the Interceptor in such format as is to be agreed between the Parties;
 - b) data in its possession detailing the composition, weight and other characteristics of the waste extracted through the Operation of the Interceptor, in such format as is to be agreed between the Parties.
 - c) technical issues that prevent the Interceptor from working;
 - d) incidental bycatch, animal interactions and any encounter with wildlife during the Operation of the Interceptor, in such format as agreed between the Parties; and

- e) any substantial changes to the Operation of the Interceptor, including change in a Key Supplier.
- 6.10 The Ocean Cleanup may conduct other data collection activities, including, without limitation, environmental studies, to the extent such studies do not unreasonably interfere with the Operation of the Interceptor. The Ocean Cleanup shall be responsible for obtaining the approval from all applicable regulatory agencies and other parties for any such data collection activities. The District shall use reasonable endeavors to assist The Ocean Cleanup with such activities.

ARTICLE 7. COMMUNICATION AND ACTIVATION

- 7.1 The Parties shall use reasonable and good faith efforts to collaborate relating to communication and public relations related to the Operation of the Interceptor.
- 7.2 Except to the extent otherwise required by applicable law, each Party shall provide five (5) business days (Monday to Friday) advance notice to the other Party prior to publishing any public-facing communications, including news items, press releases, and social media posts, relating to the Interceptor or the Operation of the Interceptor. Notwithstanding the immediately preceding sentence, each Party may publish communications related to emergency circumstances without prior notice to the other Party but will notify the other Party of the communication as soon after the communication as reasonably practicable, but in no event later than 24 hours after such communication.
- 7.3 Subject to compliance with its obligations under this Agreement, District may use, free of charge, all The Ocean Cleanup Story Materials, provided that it includes the appropriate credits and provided that such use and publication is in line with the reasonable instructions that The Ocean Cleanup gives from time to time regarding the use of The Ocean Cleanup Story Materials. District shall not make use of any The Ocean Cleanup Story Materials that The Ocean Cleanup or any of its Affiliates have removed from the relevant website.
- 7.4 District shall ensure that The Ocean Cleanup's logos are made prominent on the Interceptor and not removed or obscured. The Ocean Cleanup acknowledges that District will maintain the seal of the County of Los Angeles on the Interceptor and may also install the District's seal and the seal of Los Angeles County Public Works; the layout, size and positioning of the mentioned new seals to be approved by The Ocean Cleanup, which approval shall not be unreasonably withheld.
- 7.5 District shall ensure that no branding other than that described above, or authorized in writing by The Ocean Cleanup in advance, shall be present on the Interceptor.

ARTICLE 8. CRISIS MANAGEMENT

- 8.1 District shall notify The Ocean Cleanup of any "Crisis Event" as defined below, by emailing both emergency@theoceancleanup.com and the Ocean Cleanup appointee (or by telephone) as soon as is reasonably practicable given the circumstances of the Crisis Event, but in no event later than 24 hours after the Crisis Event commenced.

8.2 A “Crisis Event” means:

- a) A report to the District of a material negative impact to wildlife, natural habitats or the environment, including any potential harm to protected species or habitats arising from the Operation of the Interceptor;
- b) A report to the District of serious injury or death of a person arising from the Operation of the Interceptor;
- c) The receipt by the District of any claim or lawsuit related to the Operation of the Interceptor;
- d) Expected severe weather that could reasonably result in material damage to the Interceptor; or
- e) The receipt by the District of any notice of violation from any regulatory agency related to the Operation of the Interceptor.

8.3 Upon the occurrence of a Crisis Event, the Parties shall consult with each other as soon as is reasonably practicable given the circumstances of the Crisis Event, to develop a plan of action to resolve the Crisis Event as quickly as possible and with as little damage as possible.

8.4 The District shall use reasonable endeavors to resolve the Crisis Event within the shortest possible period of time given the circumstances of the Crisis Event and shall remain responsible for any and all costs related thereto other than the costs incurred by The Ocean Cleanups related to consultation and development of an action plan as described in Section 8.3, above.

ARTICLE 9. LIABILITY

9.1 Neither Party shall be liable for any Losses incurred by the other Party in relation to or as a result of the Operation of the Interceptor or the enjoyment of any rights granted under this Agreement, except to the extent such Losses result from the other Party’s willful misconduct or gross negligence.

9.2 In no event will The Ocean Cleanup be liable to District, or will District be liable to The Ocean Cleanup, for any indirect Losses, which include lost revenue, loss and deferral of operations, and/or loss of use, in each case whether direct or indirect, exemplary, special and/or consequential Losses, in each case whether foreseeable or not at the Effective Date of the Agreement.

9.3 Except to the extent expressly provided in this Agreement, The Ocean Cleanup hereby disclaims any liability, warranty, or implied or statutory terms concerning:

- a) the sufficiency, accuracy and completeness of any information or input provided by The Ocean Cleanup during the Term of this Agreement or the period preceding the conclusion of this Agreement; or
- b) any results regarding the Operation of the Interceptor, including the quantity or quality of the Waste/plastic that will be collected by the Interceptor.

- 9.4 District shall hold The Ocean Cleanup and its Affiliates, directors, agents and employees harmless from and against any and all third-party claims and Losses to the extent these arise out of or are related to the District’s ownership or Operation of the Interceptor or any obligations of District under this Agreement or at law.

ARTICLE 10. CONFIDENTIALITY

- 10.1 Each Party (the “**Receiving Party**”) shall, and shall require that its agents, directors, employees and persons engaged by such Party, both during and after the Term of this Agreement:
- a) keep confidential all Confidential Information of the other Party (the “**Disclosing Party**”) that it may have obtained or received in any way in relation to this Agreement, whether before or after the Effective Date;
 - b) not disclose any part of the Confidential Information of the Disclosing Party to any person, except:
 - i. to the extent disclosure to the Receiving Party’s agents, directors, employees and other persons is necessary for the performance of the obligations of the Receiving Party pursuant to this Agreement or for the full enjoyment of the Receiving Party’s rights under this Agreement, in all cases provided that such recipient persons are bound by confidentiality obligations that offer at least the same level of protection as this Section 10; or
 - ii. to the extent the Disclosing Party has given prior written approval for such disclosure; and
 - c) only use the Confidential Information of the Disclosing Party for the performance of this Agreement, for the full enjoyment of the Receiving Party’s rights under this Agreement, and for such other purposes as explicitly permitted under this Agreement, and not for any other purpose.
- 10.2 The obligations of this clause do not apply to any disclosure or use by the Receiving Party of the Disclosing Party’s Confidential Information to the extent such disclosure or use is required by applicable law or a legally binding decision of a regulatory authority, court or arbitral tribunal, provided that prior to disclosure the Receiving Party shall (to the extent permitted by law) promptly notify the Disclosing Party of such requirement with a view to providing the Disclosing Party with the opportunity to contest such disclosure or use or otherwise to limit or agree the timing and content of such disclosure or use.

ARTICLE 11. DISPUTE RESOLUTION, SUSPENSION AND TERMINATION

- 11.1 Notwithstanding any other rights of The Ocean Cleanup under this Agreement, if, in the reasonable opinion of The Ocean Cleanup:
- a) acts or omissions of District have created a jeopardy for the environment or the life, health or property of people;
 - b) District does not adhere to its obligations under this Agreement;
 - c) any circumstance whatsoever arises as a result of which the rights granted to District under this Agreement or the Operation of the Interceptor could in any way endanger The Ocean Cleanup Group’s rights to The Ocean Cleanup Trademarks, the reputation of The Ocean Cleanup Trademarks or the reputation of any member of The Ocean Cleanup Group;

- d) The Ocean Cleanup objects to any proposed alterations to the Operations of the Interceptor, including any change in Location,

The Ocean Cleanup shall promptly notify the District of The Ocean Cleanup's objections or concerns, and the Parties shall thereafter meet within seven (7) days, in good faith, to arrive at a mutually agreeable resolution of the objections or concerns. If the Parties, despite their good faith efforts, are unable to arrive at a mutually agreeable resolution, the Parties shall submit their dispute to non-binding dispute resolution within 14 days of the first meeting, the expenses to be shared equally between the Parties. If a resolution is not reached through the non-binding dispute resolution process, The Ocean Cleanup may immediately:

- i. require that District remove any The Ocean Cleanup Branding from the Interceptor;
- ii. revoke any branding, communications or other entitlements granted to District;
- iii. and/or terminate this Agreement.

The Ocean Cleanup reserves its rights to take any legal action it deems appropriate to protect its interest.

- 11.2 If, in the reasonable opinion of the District, The Ocean Cleanup is not adhering to The Ocean Cleanup's obligations under this Agreement or The Ocean Cleanup's interactions or communications with third parties are impairing the District's reputation or the District's ability to perform any of its objectives or functions, the District shall promptly notify The Ocean Cleanup of the District's concerns and the Parties shall thereafter meet within seven (7) days, in good faith, to arrive at a mutually agreeable resolution of the objections or concerns. If the Parties, despite their good faith efforts, are unable to arrive at a mutually agreeable resolution, the Parties shall submit their dispute to non-binding dispute resolution within 14 days of the first meeting, the expenses to be shared equally between the Parties. If a resolution is not reached through the non-binding dispute resolution process, District reserves its rights to take any legal action it deems appropriate to protect its interest.
- 11.3 In addition to termination in accordance with Section 11.1, above, this Agreement shall also be terminated as follows:
- a) By a joint written agreement between the Parties, in which case the termination will take effect on the date of termination specified in the agreement; or
 - b) If a Party commits a material breach of its obligations under this Agreement and - if such breach is capable of remedy - has not been remedied within six (6) weeks, after the first Party's written request to remedy the breach, or, if it is not feasible to completely remedy the breach within six (6) weeks, a remedy has not been commenced within six (6) weeks, it being understood that the Party requesting the remedy may extend such period for remedy by notifying the Party in breach of such extension in writing, upon written notice of termination by the non-breaching Party, in which case the termination will take effect on the date of the non-breaching Party provides the notice to the other Party; or
 - c) Upon not less than 180 days prior written notice by the District to The Ocean Cleanup of the District's intent to permanently cease Operation of the Interceptor, in which case the termination will take effect on the date of termination specified in the notice.

- 11.4 Upon the termination of this Agreement, District shall, as soon as reasonably practicable:

- a) Cease to make any use of any Intellectual Property Rights of The Ocean Cleanup Group;
- b) remove any The Ocean Cleanup Trademarks from the Interceptor;
- c) remove any The Ocean Cleanup Trademarks or The Ocean Cleanup Story Materials from all promotional materials and advertisements, including any websites or any other electronic medium; and
- d) return or destroy all Confidential Information of any member of The Ocean Cleanup Group, including information in relation to the Licensed Technology and including paper and digital embodiments of same.

11.5 In case of termination of this Agreement, District shall offer to transfer ownership of the Interceptor and Lifting Frame to The Ocean Cleanup in an as-is, where-is condition. If The Ocean Cleanup accepts the offer, The Ocean Cleanup shall accept title to the Interceptor and Lifting Frame by means of a Bill of Sale, free of charge, and shall take possession of and remove or store the Interceptor and Lifting Frame at its sole cost and expense.

- i. In case of termination per Section 11.1, Section 11.3.a, or Section 11.3.b, The Ocean Cleanup shall take possession of and remove or store the Interceptor as soon as reasonably possible, but not later than 5 months after the date of termination.
- ii. In the case of termination per Section 11.3.c, The Ocean Cleanup shall take possession of and remove or store the Interceptor on the date of termination specified in the notice provided under Section 4.2.j.

The District shall use reasonable efforts to assist The Ocean Cleanup in obtaining any required permits, authorizations, or approvals necessary to moor the Interceptor for that period of time. The District shall transfer any relevant and transferable permits and authorizations related to the Interceptor the District holds in its possession to The Ocean Cleanup as soon as reasonably and practically possible. If The Ocean Cleanup does not accept the offer within 30 days, the District shall decommission the Interceptor in accordance with Article 12, below.

ARTICLE 12. DECOMMISSIONING

- 12.1 District will be responsible for all costs related to the decommissioning of the Interceptor in the most responsible way reasonably practicable, taking into account all applicable laws and regulations, best practices and the effects on the environment and the local communities.
- 12.2 District shall consult with The Ocean Cleanup before decommissioning the Interceptor, including consultation regarding any decommissioning plan prepared by the District.

ARTICLE 13. INDEMNITY

- 13.1 District hereby indemnifies and shall defend The Ocean Cleanup, at District's sole cost and expense and with counsel reasonably selected by The Ocean Cleanup, and hold The Ocean Cleanup and its officers, directors employees, partners, affiliates, agents, contractors, successors and assigns ("The Ocean Cleanup Parties") harmless from any and all claims (including claims under negligence and strict liability), demands, liability, losses, causes of actions and suits of any kind, proceedings, orders, judgments, and any

costs, damages (of all kinds including punitive damage, diminution in value and loss of use), claims, liabilities, expenses (including reasonable attorneys', consultants' and experts' fees), losses, fines, natural resource damages, penalties and court costs related to the subject matter of such costs and amounts paid in settlement of any claims or actions related to the subject matter of such costs (collectively, "Losses" arising directly or indirectly out of (i) any negligent act or omission or willful misconduct by District or its representatives, officers, directors, employees, partners, affiliates, agents, contractors, consultants, invitees, licensee, tenants, successors and assigns ("District Parties") in the performance of District's obligations under this Agreement or any breach by District or any District Party of said obligations; (ii) the California Prevailing Wage Law, including Labor Code Sections 1720 through 1861, et seq.; (iii) any claims relating to CEQA; (v) any violations of law by District or any District Party; (iv) any actual or alleged release of, or impact to the environment from the release of, hazardous substances or hazardous materials by District or any District Party; (v) any property, sales or use taxes arising under this Agreement or with respect to the Interceptor or (vi) the possession, use or operation of the Interceptor by District or any District Party, except, in each case, to the extent and proportion that the claim or litigation arises through the negligence or willful misconduct of The Ocean Cleanup.

- 13.2 The Ocean Cleanup hereby indemnifies and shall defend District, at The Ocean Cleanup's sole cost and expense and with counsel reasonably selected by District, and hold District Parties harmless from any and all Losses arising directly or indirectly out of (i) any negligent act or omission or willful misconduct by The Ocean Cleanup or The Ocean Cleanup Parties in the performance of The Ocean Cleanup's obligations under this Agreement or any breach by The Ocean Cleanup or any The Ocean Cleanup Party of said obligations; or (ii) any violations of law by The Ocean Cleanup or any The Ocean Cleanup Party, except, in each case, to the extent and proportion that the claim or litigation arises through the negligence or willful misconduct of District.

ARTICLE 14. MISCELLANEOUS

- 14.1 No amendment to this Agreement will be effective unless it is agreed in writing between the Parties.
- 14.2 Notices and other statements in connection with this Agreement shall, except as explicitly provided otherwise in this Agreement, be given in writing, by way of a letter sent by regular or other mail or by e-mail.
- 14.3 This Agreement constitutes the entire agreement between the Parties and supersedes all earlier agreements and understandings between the Parties, whether oral or written, with regard to the subject matter of this Agreement.
- 14.4 This Agreement shall be governed by the laws of California.
- 14.5 After termination or expiration of this Agreement, the provisions which by their nature are intended to remain in full force and effect will remain in full force and effect.
- 14.6 This Agreement and any amendments to this Agreement may be executed in one or more counterparts, each of which will be deemed to be an original.

ARTICLE 15. REPRESENTATIONS AND WARRANTIES OF BOTH PARTIES

- 15.1 The Party has been validly incorporated or established and is validly existing as a legal entity in the form as which it was incorporated or established.
- 15.2 The Party has the corporate power to enter into and perform this Agreement.
- 15.3 The Party has taken all necessary corporate action to authorize its entry into and performance of this Agreement.
- 15.4 The Party has the necessary staff, knowledge and skills for its performance of this Agreement.

IN WITNESS WHEREOF, each Signatory hereto has caused this Cooperation Agreement regarding the Interceptor to be executed by their respective officers, duly authorized, on the respective dates indicated below.

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,
A body corporate and politic

By _____ Date _____
Chief Engineer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By _____
Deputy

THE OCEAN CLEANUP INTERCEPTION B.V.
A Dutch private company with limited liability

By _____ Date _____
Chief Executive Officer

By _____ Date _____
Rivers Director

Schedule 1 (Sponsorship Provisions)

1. The Ocean Cleanup may, at a later stage, envision a use for the plastic waste collected through Operation of the Interceptor and may, in its sole discretion, acquire the plastic waste pursuant to Section 4.1 and 4.2 above. The District acknowledges that The Ocean Cleanup and its global or local partner, or any such other persons designated by The Ocean Cleanup may contract directly with the District's waste hauler, at The Ocean Cleanup's own cost, on ways for The Ocean Cleanup and its global or local partner, or any such other persons designated by The Ocean Cleanup.
2. If accreditation or recognized reporting measures are required for the use of the plastic collected, The Ocean Cleanup may request District take all reasonable steps to assist with any accreditation or other recognized reporting measures process, and provide any data needed that has been made available to District.
3. The Parties shall endeavor to work together in a meaningful way and collaborate on investigating opportunities available in the market that can help achieve a more significant impact to rid the oceans and rivers from plastic. The Parties may hold meetings to further discuss and investigate specific opportunities, which the Parties may attend via teleconference if needed. The Ocean Cleanup shall inform District of specific opportunities it envisions exploring. District shall share information related to the Operation of the Interceptor, or other information made available to District regarding the plastic waste collected, to help better inform the discussion and collaboration of potential opportunities.
4. At The Ocean Cleanup's reasonable request, the District shall coordinate with The Ocean Cleanup to include branding of one or more of its global or local partners on the Interceptor without the payment of any fee or other consideration. Any additional branding of the global or local partners of The Ocean Cleanup shall comply with all State and local regulations including, without limitation, the provisions of Chapter 2.132 of the Los Angeles County Code.