

Agreement No. 25-73000-C00556

AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND AEROPRESS, INC.

This Agreement is entered into this _____, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and AeroPress, Inc., hereinafter called "Entity."

* * *

Whereas it is necessary and desirable that County, via its Vocational Rehabilitation Services WorkCenter (VRS), to perform work/services for **AeroPress, Inc.** to facilitate production, and shipping & handling services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Services

Exhibit B—Payments and Rates

2. Services to be performed by County

In consideration of the payments set forth in this Agreement and in Exhibit B, County shall perform services for Entity in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Payments

In consideration of the services provided by County in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, Entity shall make payment to County based on the rates and in the manner specified in Exhibit B. In no event shall Entity's total fiscal obligation under this Agreement exceed SEVEN HUNDRED THOUSAND DOLLARS (\$700,000). In the event that the Entity makes any advance payments, County agrees to refund any amounts in excess of the amount owed by the Entity at the time of contract termination or expiration.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from January 1, 2025 through December 31, 2026.

5. Termination

This Agreement may be terminated by County, by the County's Director of Human Services Agency or designee, or by Entity at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. In the event of termination, County shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

6. Relationship of Parties

It is expressly understood that this is an agreement between two independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Entity is to create an independent contractor relationship.

7. **Hold Harmless**

a. **General Hold Harmless**

Entity shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of County under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Entity or its employees/officers/agents.

(B) damage to any property of any kind whatsoever and to whomsoever belonging.

(C) any sanctions, penalties, or claims of damages resulting from Entity's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Entity's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Entity to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. **Assignability and Subcontracting**

County shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by County under this Agreement without the prior written consent of Entity.

9. **Insurance**

a. **General Requirements**

Entity shall advise County of any insurance coverage requirements, and County shall provide evidence of appropriate coverage to Entity upon request.

b. **Workers' Compensation and Employer's Liability Insurance**

Each party to this agreement shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, each party certifies, as required by Section 1861 of the California Labor Code, that (a) it 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 the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. **Liability Insurance**

County shall be self-insured during the term of this Agreement under such bodily injury liability and property damage liability insurance as shall reasonably protect County and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from County's operations under this Agreement, whether such operations be by County, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them.

10. **Retention of Records; Right to Monitor and Audit**

(a) Each party shall maintain all required records relating to services provided under this Agreement for

three (3) years after Entity makes final payment and all other pending matters are closed, and such records shall be subject to the examination and/or audit by the other party, a Federal grantor agency, and the State of California.

(c) Each party agrees upon reasonable notice to provide to the other party, to any Federal or State department having monitoring or review authority, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

11. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

12. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

13. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

Name/Title: Carlos Arrecis -Business Manager
Address: 550 Quarry Rd. San Carlos, CA 94070
Telephone: 650-802-6496
Email: carrecis@smcgov.org

In the case of Entity, to:

Name/Title: Shawn Wilson
Address: 1121 San Antonio Rd. Suite B100 Palo Alto, CA 94303
Telephone: 856-669-9972
Email: Shawnw@aeropress.com

14. Electronic Signature

Both County and Entity wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo. Any party to this Agreement may revoke such agreement to permit electronic signatures at any time in relation to all future documents by providing notice pursuant to this Agreement.

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Entity: Aeropress, Inc.

DocuSigned by: <i>Shawn Wilson</i>	1/22/2025	Shawn Wilson
Signature	Date	Name (please print)

COUNTY OF SAN MATEO

By:
President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:
Clerk of Said Board

Exhibit A – Services

In consideration of the payments outlined in Exhibit B, the County shall provide the following services:

The County's Vocational Rehabilitation Services WorkCenter (VRS) will facilitate production, inventory, and shipping & handling services for Entity:

- 1) VRS will:
 - a) Receive order
 - i) Receive email notification of order from the designated Entity representative.
 - ii) Receive/pick up products in the warehouse, check quantities, and scan applicable documents to the Entity designated representative.
 - b) Productions
 - i) Build productions to vendor specifications provided by Entity.
 - ii) Perform quality checks on productions to ensure the product is built to vendor specifications.
 - c) Inventory
 - i) Store and manage inventory specific to productions or shipments being worked on by VRS. The total Inventory of pallets is not to exceed 450 pallets.
 - (1) As a training facility, storage capacity is limited to accommodate up to 450 pallets at a time. VRS will update Entity on available pallet capacity.
 - ii) Inventory will be updated at the end of each day/month and sent to the Entity designated representative.
 - iii) Inform Entity when it is low on special labels, such as Stock Keep Unit (SKU), Master carton, and other special labels.
 - d) Shipping
 - i) Provide bill of lading (BOL) and ASN (Advanced Shipping Notice) for all inventory in and out of the warehouse.
 - ii) Pick up and deliver material to various vendors, i.e., material for production and finished goods.
 - iii) The designated Entity representative will set up pickup and delivery times.
- 2) Entity will:
 - a) Email orders to the VRS Production Manager/Shipping Supervisor on a weekly/daily basis.
 - b) Provide assembly and packaging labeling instructions for production.
 - c) Provide special labels, i.e., Stock Keep Unit (SKU), Master carton, and other special labels.
 - d) Provide pallets for product shipments.
 - e) Order supplies for productions/labeling/packing slip bags & packaging.
 - f) Arrange for product pickup/delivery to and from VRS.

Exhibit B – Payments

In consideration of the services provided by the County described in Exhibit A and subject to the terms of the Agreement, the Entity shall pay the County based on the following fee schedule and terms:

1) Rates

Ln.#	Item	Description	Price
Miscellaneous Labor			
1	Pallet Handling Charges	Per Intl. Orders	\$10.609
2	Sort Orders/UCC-128 Labels	Per hour	\$25.75
Total Product Shipped			
3	Total Product Shipped	Per unit	\$0.84
Stickering			
4	Product Labeled, Not During Production	Per Product	\$0.10
5	Product Labeled, During Production	Per Product	\$0.04
Delivery Charges			
6	Delivery within San Mateo County with the exception of Genesis.	Flat Fee	\$140.00
Storage			
7	Pallet	Per Pallet	\$11.804
Production			
8	81R24	Aeropress Micro-Filters, 350 Ct 24 Pack	\$3.71
9	81F24	Aeropress Micro-Filters - 350 Count, 2-12ct Tray Pack	\$5.10
10	81F12	Aeropress Micro-Filters – 350 Count, 12 Pack Tray	\$2.55
11	81M24	Aeropress Metal Filter, 2-12 24pk Trays	\$3.00
12	81M12	Aeropress Metal Filter, 12-Pack	\$1.50
13	81MFT48	Aeropress Metal Filter 48 Ct Case, 4-12pk Trays	\$4.02
14	81C24	Aeropress Low Flow Filter Cap, 24 Ct Tray	\$2.00
15	81C12	Aeropress Low Flow Filter Cap, 12 Ct Tray	\$0.50
16	81F01	Aeropress Micro Filters – 1 Pack	\$0.14
17	81F02	Aeropress Micro Filters - 2 Pk Shrink-wrap	\$0.50
18	CN81F24	Aeropress Micro-Filters Canadian French - 350 Count, 2-12ct Tray Pack	\$5.10
19	CN81MFT48	Aeropress Metal Filter Canadian French - 48 Ct Case, 4-12pk Trays	\$4.02
20	81FCS	Bulk Case - 80 Ct. Of 350 Ct Filters	\$6.50
21	81NA12	Aeropress 200 Count Micro-Filters Natural - 12 Pack Retail Tray	\$2.55
22	81NA24	Aeropress 200 Count Micro-Filters Natural - (2) 12 Pack Retail Tray	\$5.10
23	81NA02CS	Bulk Case - Aeropress 2 Pack, 400 County Natural Filters – 16 Counts	\$7.84
24	81NACS	Natural Filters, 200 Ct Per Pack; 80ct Case; 63 Cases per Pallet	\$6.50
25	90VP05-1	Aeropress Clear Color Coffee Press –	\$0.77

		Variety 5-Pack (Black/ Purple/ Blue/ Green/ Red)	
26	XLFNA12	Aeropress XI 200 Count Micro-Filters - Natural - 12 Pack Retail Tray	\$2.55
27	XLFNA24	Aeropress XI 200 Count Micro-Filters - Natural - 2 - 12 Pack Retail Tray	\$5.10
28	XLFNACS	Aeropress XI 200 Count Micro Filters - Natural – 80 Pack	\$6.50
29	XLFNA02CS	Aeropress XI 200 Count Micro Filters - Natural – 80 Pack	\$5.72
30	XLMF12	Aeropress Stainless Steel Reusable Filter - 12 Pack Retail Tray	\$1.50
31	XLMF24	Aeropress XL Stainless Steel Reusable Filter - (2) 12 Pack Retail Tray	\$3.00
32	XLF12	Aeropress XI Micro-Filters -100 Count Standard Filter, 12 Ct Tray per Case	\$0.55
33	XLF16	Aeropress XI Micro-Filters -100 Count Standard Filter, 16 Ct Tray per Case	\$0.52

2) Additional Services

- a) For any other productions/services, a time study will be conducted to determine the required resources. Based on the time study, a quote will then be provided, and approval in writing will be sought from the Entity before commencing work.

3) Invoicing

- a) The County will bill monthly according to the rates established in the table and based on actual work completed.

- b) The Entity shall issue payment within 30 days of receipt to:

VRS/ WorkCenter
 Attn: VRS Accounts Receivable
 500 County Center, 2nd Floor
 Redwood City, CA 9463

- c) Rates will be evaluated annually and are subject to change. Rate increases totaling 6% will be implemented over two years, not exceeding 3% in 2025 and 3% in 2026.

- d) The County shall notify the Entity of any rate changes in writing before production.

4) Late Payment Fee

A late charge of 2% will be applied monthly to any unpaid invoices that exceed the 30-day payment period.