

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ALTERNATIVE ENERGY SYSTEMS CONSULTING, INC.**

**PREAMBLE**

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Alternative Energy Systems Consulting, Inc., a California corporation, (Contractor). City and Contractor may be referred to individually as a “Party” or collectively as the “Parties.”

**RECITALS**

- A. City desires to secure the services (“Services”) more fully described in this Agreement, in Exhibit A, entitled “Scope of Services”;
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required Services and goods of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such Services will be provided and paid for.

The Parties agree as follows:

**AGREEMENT TERMS AND CONDITIONS**

**1. AGREEMENT DOCUMENTS**

The documents forming the entire Agreement between City and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees and Payment Provisions

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the

Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

## **2. TERM OF AGREEMENT**

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by written amendment to this Agreement, the term of this Agreement shall begin on April 1, 2024 and terminate on March 31, 2028 (“Initial Term”).

## **3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE**

Contractor shall perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

## **4. WARRANTY**

In addition to those warranties contained in Exhibit A, Contractor expressly warrants that all Services and materials covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements and instructions applicable to this Agreement. Contractor agrees to promptly replace or correct any incomplete, inaccurate or defective Services or materials at no further cost to City when defects are due to the negligence, errors or omissions of Contractor. If Contractor fails to promptly correct or replace Services or materials, City may make corrections or replace Services or materials and charge Contractor for the cost incurred by City.

## **5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE**

Contractor represents and maintains that it has the expertise in the professional calling necessary to perform the services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Contractor’s representations regarding its skills and knowledge. Contractor shall perform such services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

## **6. COMPENSATION AND PAYMENT**

In consideration for Contractor’s complete performance of Services, City shall pay Contractor in accordance with Exhibit B, entitled “SCHEDULE OF FEES AND PAYMENT PROVISIONS.” The maximum compensation of this Agreement is **Six Hundred Thirteen Thousand Nine Hundred Thirty-Four Dollars (\$613,934)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services including any taxes. All Services performed or supplies, materials and equipment provided in excess of the maximum compensation shall be at Contractor’s expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

## **7. TERMINATION**

- A.** Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Contractor.
- B.** Termination for Default. If Contractor fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Contractor.
- C.** Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to City all City information or material that Contractor has in its possession.

## **8. ASSIGNMENT AND SUBCONTRACTING**

City and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Contractor shall not hire subcontractors without express written permission from City.

Contractor shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it.

## **9. NO THIRD PARTY BENEFICIARY**

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

## **10. INDEPENDENT CONTRACTOR**

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Contractor has full rights to manage its employees in their performance of Services under this Agreement.

## **11. CONFIDENTIALITY OF MATERIAL**

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be

used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

## **12. OWNERSHIP OF MATERIAL**

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City, but Contractor may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Contractor shall not be responsible for damages resulting from the use of said material for work outside the scope of the Services, including, but not limited to, the release of this material to third parties.

## **13. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR**

City, through its authorized employees, representatives or agents shall have the right during the Term and for four (4) years from the date of final payment for Services or goods provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City. Contractor shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Contractor shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Contractor agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Contractor's Services hereunder.

## **14. HOLD HARMLESS/INDEMNIFICATION**

**A.** To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Contractor pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with

Contractor to perform any portion of the Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

- B.** Contractor's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against City (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C.** To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

## **15. INSURANCE REQUIREMENTS**

During the Term, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

## **16. WAIVER**

Contractor agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

## **17. NOTICES**

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara  
Attention: Silicon Valley Power  
1500 Warburton Avenue  
Santa Clara, CA 95050  
and by e-mail at [svpcontracts@santaclaraca.gov](mailto:svpcontracts@santaclaraca.gov) and  
[manager@santaclaraca.gov](mailto:manager@santaclaraca.gov)

And to Contractor addressed as follows:

Alternative Energy Systems Consulting, Inc.  
2445 Impala Drive  
Carlsbad, CA 92010  
and by e-mail at [acorradini@aesc-inc.com](mailto:acorradini@aesc-inc.com) and [blynch@aesc-inc.com](mailto:blynch@aesc-inc.com)

The workday the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

**18. COMPLIANCE WITH LAWS**

Contractor shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to “The Code of the City of Santa Clara, California” (“SCCC”). In particular, Contractor’s attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Contractor has read and agrees to comply with City’s Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

**19. CONFLICTS OF INTEREST**

Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

**20. FAIR EMPLOYMENT**

Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

**21. NO USE OF CITY NAME OR EMBLEM**

Contractor shall not use City’s name, insignia, or emblem, or distribute any information related to Services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

**22. GOVERNING LAW AND VENUE**

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

**23. SEVERABILITY CLAUSE**

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

**24. AMENDMENTS**

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties.

**25. COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

**26. PREVAILING WAGE**

In the event the Services require payment of prevailing wage, Contractor shall comply, and ensure its subcontractors comply with Exhibit D.

Contractor certifies that it is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., as well as Section 16000 et seq. of Title 8 of the California Code of Regulations, Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged

failure by Contractor or its employees, agents, contractors, and subcontractors to comply with the prevailing wage laws.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

**CITY OF SANTA CLARA, CALIFORNIA**  
a chartered California municipal corporation

Approved as to Form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
GLEN R. GOOGINS  
City Attorney

\_\_\_\_\_  
JÖVAN D. GROGAN  
City Manager  
City of Santa Clara  
1500 Warburton Avenue  
Santa Clara, CA 95050  
Telephone: (408) 615-2210  
Fax: (408) 241-6771

“CITY”

**ALTERNATIVE ENERGY SYSTEMS CONSULTING, INC.**  
a California corporation

Dated: 03/13/2024

By (Signature):   
Name: ANTONIO CORRADINI  
Title: CEO/Principal Engineer  
Principal Place of Business Address: 2445 Impala Drive  
Carlsbad, CA 92010  
Email Address: acorradini@aesc-inc.com  
Telephone: (760) 931-2641

“CONTRACTOR”



## **EXHIBIT A SCOPE OF SERVICES**

### **SECTION 1. GENERAL**

- 1.1** Contractor will deliver a Strategic Energy Management (SEM) and electrification program targeting a cohort of schools (K-12 and higher education), community-based organizations, and public sector facilities (SEM Program).
- 1.2** Contractor will deliver the SEM Program over a three-year period through a progression of cohort-based training and workshops, one-on-one technical and behavioral coaching, and consulting support.
- 1.3** The delivery will include onsite activities and remote coaching.
- 1.4** Definitions:
  - 1.4.1** “Energy Action Plan” means list of annual goals for each organization. Included in the plan is a high-level summary of energy saving plans, organizational objectives, and actions that participants aim to complete. The plan is drafted at the beginning of each year and serves as a guide throughout the year.
  - 1.4.2** “Building Automation System (BAS)” means the automatic centralized control of a building's HVAC (heating, ventilation and air conditioning), electrical, lighting, shading, access control, security systems, and other interrelated systems.
  - 1.4.3** “Customer” means a customer of Silicon Valley Power (SVP).
  - 1.4.4** “Distributed Energy Resources” means small-scale electricity generation or storage technologies that are located near the end user or the electric distribution system.
  - 1.4.5** “Energy Action Plan” means the plan for Participant to continuously improve their energy and resource utilization and achieve their energy objectives, including identifying specific employee engagement and other activities, allocating necessary resources, determining timeframes for implementation, assigning responsible parties, and establishing methods for M&V.
  - 1.4.6** “Energy Champion” means a Participant’s designated person who participates in trainings and facilitates resources as needed.
  - 1.4.7** “Energy Coach” means an SEM Coach who provides direct technical and engineering support and guidance to help Participants implement the knowledge, skills, and practices learned in the curriculum.

- 1.4.8** “Energy Management Assessment” (EMA) means Contractor shall review a Participant’s existing strategies, energy efficiency, electrification, and sustainability project plans to establish the relative maturity of the Participant’s energy management practices.
- 1.4.9** “Energy Management System” (EnMS) means the purposeful development and grouping of business practices to create a systematic approach to managing energy with a stated objective which is a primary goal of the 50001 Ready program.
- 1.4.10** “Energy Performance Indicators” (EnPIs) means data values that track energy usage and improvement.
- 1.4.11** “Energy Team” means a team including the Energy Champions, Energy Sponsors, and other SEM team members.
- 1.4.12** “Executive Sponsor” means a Participant’s designated person who provides the necessary leadership support for the Participant.
- 1.4.13** “International Performance Measurement and Verification Protocol Option C” means the standardized M&V process published by the Efficiency Valuation Organization to quantify energy savings, specifically at the whole building level.
- 1.4.14** “Measurement and Verification (M&V)” means measuring and verifying through verified SEM models including International Performance Measurement and Verification Protocol Option C and Normalized Metered Energy Consumption.
- 1.4.15** “Notice to Proceed” (NTP) means a written notice issued by SVP after this Agreement is executed by the Parties.
- 1.4.16** “Opportunity Registers” means a program tool designed to track specific actions each Participant site could undertake to achieve energy savings objectives.
- 1.4.17** “Participant” means a Customer that has completed the SVP’s enrollment process to participate in the SEM Program.
- 1.4.18** “Participant’s Site” is a location possessed by Participant.
- 1.4.19** “Significant Energy Uses” (SEUs) means sources of energy use, such as equipment or processes, with substantial energy consumption and/or considerable potential for energy performance improvement.
- 1.4.20** “Treasure Hunt” means a walk-through at Participant’s Site performed by Contractor SEM Coach and Contractor engineer to identify low-to-no-cost, near-term savings opportunities. During this walk-through, Contractor will

teach Participants how to identify and prioritize opportunities and repeat self-implementation. The Parties acknowledge that Treasure Hunts are a key engagement tool which increases the likelihood of Participant implementation of savings opportunities.

## **SECTION 2. PROGRAM SUMMARY AND GOALS**

**2.1** The goal of the SEM Program is to help Participants actualize operational best practices and implement identified opportunities.

**2.2** The primary objectives of an SEM program are:

**2.2.1** Energy Efficiency and Cost reduction: Primarily, this includes no and low-cost improvements to equipment and systems, optimizing processes, changing occupant behaviors around energy use, and adopting energy-efficient technologies. To reduce costs for organizations, Contractor will identify areas of energy waste and help improve energy performance to achieve persistent cost savings.

**2.2.2** Continuous Improvement: SEM programs emphasize the importance of continuous energy improvement and energy performance monitoring. Contractor will provide Participants with tools and methodologies to measure and track energy consumption, set improvement targets, and identify areas for further optimization. By establishing a culture of continuous improvement, organizations can maintain results and build upon their energy management, climate action, or Greenhouse Gas (GHG) mitigation efforts over time.

**2.2.3** Stakeholder Engagement and Collaboration: Successful SEM programs involve “baking SEM into the culture” by engaging stakeholders at various levels within an organization, including management sponsors, employees, and external partners such as energy utilities, industry associations, and government agencies.

**2.3** Through the program, Contractor will teach Participants how to:

**2.3.1** Formalize practices that support energy management.

**2.3.2** Identify low and no-cost energy improvements.

**2.3.3** Learn and adopt best practices through peer-to-peer learning.

**2.3.4** Increase staff and occupant awareness of, and engagement in, energy efficiency.

**2.3.5** Examine the procedures and behaviors of energy use.

**2.3.6** Improve the bottom line through decreased energy costs and repeatable savings.

- 2.3.7** Overcome organizational and technical barriers to efficiency and integrate energy management best practices into operations.
- 2.3.8** Leverage newly acquired tools, experiences, and approaches to continue saving energy over time and prevent backsliding.
- 2.4** Contractor will design program curriculum to help Participants establish energy management best practices. The program curriculum shall be based on and supported by existing tools and resources in the Department of Energy's (DOE) "50001 Ready" program. Elements of the program are in alignment with the California SEM Design Guide implemented by California investor-owned utilities.
  - 2.4.1** Contractor will right-size the SEM Program to meet the resource limitations and energy savings potential of smaller facilities.
  - 2.4.2** Contractor will introduce additional curriculum delivered by subject matter experts related to change management, load flexibility, building electrification, and distributed energy resources to support resiliency.

## **SECTION 3. DELIVERY**

### **3.1 Program Development**

#### **3.1.1 Implementation Plan and Documents for Launch:**

**3.1.1.1** Contractor will coordinate with Silicon Valley Power (SVP) to develop the necessary framework for program coordination strategy, data tracking and administration requirements, program savings goals, and other targeted metrics.

**3.1.1.2** Contractor will lead the development of the requirements for the four annual Participant milestones. SVP will lead the finalization of the enrollment form, as described in Section 3.1.3.

**3.1.2 SEM Training and Delivery Plan:** Contractor will refine the SEM training and delivery plan including the topics and sequence of workshops. Contractor will provide substantive and high-quality workshop materials to SVP no later than two weeks before the delivery of each workshop, to provide time for review and incorporation of SVP input on content and programs. Contractor shall collaborate with SVP and incorporate SVP input into workshop materials to finalize workshop materials before the delivery of each workshop. If approved, SVP shall provide written approval (e-mail acceptable).

#### **3.1.3 Recruitment, Outreach, and Enrollment Plan**

**3.1.3.1** SVP will lead the recruitment process and Contractor will provide active support.

- 3.1.3.2** Outreach and Enrollment will be a joint effort between SVP and Contractor to finalize the cohort of Participants and ensure the success of the program.
- 3.1.3.3** Contractor will develop the enrollment plan which will identify key characteristics of ideal Participants, establish minimum participation requirements, and outline opportunities to collaborate with SVP staff on recruitment coordination and support.
- 3.1.3.4** Contractor will coordinate with SVP to identify the ideal mix and customer targets based on a discussion of City goals, existing resources, potential customer site energy consumption, past SVP program participation, and other factors.

## **3.2 Participant Recruitment**

### **3.2.1 Participant Targeting**

- 3.2.1.1** SVP will lead the targeting and screening process and will coordinate with Contractor to identify potential cohort Participants from education, community-based organizations, and public sector agencies. Participants may include local public and private schools and colleges, local city buildings or agencies, and California State Agency buildings. To recruit a sufficiently sized cohort to reach program savings targets, SVP will work with Contractor to identify an initial pool of 12 to 15 potential participants, particularly organizations that have previously participated in programs, have shown interest in energy management and electrification opportunities, or have established GHG and climate goals.
- 3.2.1.2** To inform short listing and finalization for outreach, SVP and Contractor will review each candidate's total energy consumption data for facilities in SVPs territory and energy intensity data as an indicator of savings potential and Contractor will review and discuss high-potential candidates with SVP staff.

### **3.2.2 Outreach and Recruitment**

- 3.2.2.1** Once initial candidates have been identified, Contractor will coordinate with SVP to perform direct outreach and recruitment of individuals in the organizations who help manage energy directly or have approval authority for energy-related projects, such as facilities managers, sustainability team members, CFO, CEO, and other administrative staff. Subject to program changes made by SVP, Contractor shall identify the individuals who will become the Energy Champions (described in Section 3.2.2.2.1), Executive Sponsors (described in Section 1.4.12), and Energy Team

members (made up of AESC staff including director, senior program manager, program manager, senior SEM coach, staff SEM coach, SEM coach, program coordinator, senior engineer, and engineer) leading the SEM engagement is critical. Outreach may include recruitment webinars and one-on-one calls to introduce the program benefits and answer questions.

**3.2.2.2** Contractor will lead the final screening of SEM Program candidates to ensure proposed participants have the appropriate resources and commitment to engage in the program and deliver savings impacts successfully. Contractor will screen proposed participants against a set of organizational and building/portfolio characteristics. Sample organizational and building/portfolio characteristics are listed in Section 3.2.2.2.1 and Section 3.2.2.2.2. Contractor shall submit a final set of organizational and building/portfolio characteristics to SVP for approval. If approved, SVP will provide written approval (e-mail acceptable). Any variations to allow a Participant that does not meet the agreed upon characteristics shall be proposed by Contractor to SVP for approval. If such variations are approved, SVP will provide written approval (e-mail acceptable).

**3.2.2.2.1** Sample Organizational Characteristics for participation:

- Participants with a designated Executive Sponsor, typically someone in leadership that can make decisions for the organization.
- Participants with personnel that can serve as an Energy Champion that will:
  - Participate in the program, lead the energy team, and communicate team needs to the Executive Sponsor.
  - Attend workshops and meetings. Workshops are typically 2-3 hours, with a few in person workshops and primarily virtual workshops scheduled with a regular cadence.
  - Attend at least monthly check-in meetings with Energy Coaches and/or engineers, typically lasting 30 to 45 minutes.
  - Build their energy team throughout their participation.

- Track energy use and reports results.
- Local and/or centralized control over energy and resource decisions.
- Interest in learning how to lower operating and management costs and reduce energy intensity across their portfolio.
- Ability to provide access to all energy usage information, including monthly utility bills.
- Existing sponsorship of energy and sustainability initiatives or someone interested in being the corporate sponsor.
- A conservation and/or continuous improvement culture and an interest in engaging staff/occupants.
- Familiar with the utility and its programs.
- Comfortable delegating energy efficiency projects to service contractors.

**3.2.2.2.2** Sample Building/Portfolio Characteristics for participation:

- Owner occupied, or participant pays utility bills.
- 24 months of historical utility data (36 months preferred).
- No deep renovations or demolitions within the past two years or planned within the next two years.
- Buildings are individually metered or are sub-metered.
- Current usage of at least 250,000 kWh/per building/year.
- Campuses with multiple buildings and building types.
- Customers with a large portfolio of buildings and a range of building types.

- Buildings with complex energy systems.
- Relatively high energy intensity for their type and location of property.

### 3.3 Program Delivery

**3.3.1** Contractor will deliver SEM Program over three years through a progression of workshops and site-specific technical and energy coaching support.

**3.3.1.1** The first five workshops delivered over the first year will focus on foundational energy management principles outlined in 50001 Ready: How Participants can establish an Energy Management System (EnMS), define scope and boundaries, develop an energy team, engage employees, collect and analyze data, identify significant energy uses, identify improvement opportunities, develop Energy Action Plans, establish energy baselines and Energy Performance Indicators (EnPIs), and monitor and measure energy performance.

**3.3.1.2** In the second year, Contractor will continue to support Participants with an annual planning process, implementing projects and energy savings. Workshops and technical support will expand to also cover load flexibility, building electrification, and distributed energy resources to support resiliency.

**3.3.2** Cohort-based Workshops – Contractor will deliver the following workshops according to the timelines in Section 5, Program Timeline.

**3.3.2.1** Workshop 1 (in-person) General Information: Workshop 1 provides cohort Participants a general introduction to the program structure, expectations, and available resources, the concept of an EnMS, energy and resource opportunities that can be incorporated, and introduces Participants to each other to establish a productive peer-to-peer collaboration environment.

**3.3.2.2** Workshop 2 (virtual) Getting Started: Workshop 2 provides practical guidance for Participants in establishing an energy management system within their organization, including identifying and engaging an energy team, aligning with high-level organizational goals, setting the scope of activities, and reviewing goals established by their organization/Executive Sponsor.

**3.3.2.3** Workshop 3 (virtual) Improving Performance: Workshop 3 will introduce resources for Participants to visualize their site's energy usage, prioritize project efforts, and implement quick-win energy-saving projects, including energy mapping, reviewing typical low-cost energy-saving opportunities that can be identified in treasure



hunts, and how to use an opportunity register to track opportunities. Contractor will also introduce DOE's free tools that can be leveraged to support energy management within an organization, including the USDOE Energy Footprint Tool and the ENERGY STAR® Portfolio Manager®.

- 3.3.2.4** Workshop 4 (virtual) Measuring Success: Following site-specific activities such as the treasure hunt and action planning, Workshop 4 guides Participants in tracking their energy performance by reviewing the data they collect and exploring metrics and baselines for monitoring energy performance.
- 3.3.2.5** Workshop 5 (virtual) Stakeholder Engagement: Workshop 5 will explore opportunities and strategies for stakeholder engagement that can be deployed across the organization. Examples include ways to educate and engage students and employees in initiatives and results. This is necessary to successfully implement change management strategies, internal energy campaigns, and energy policies and procedures, to integrate SEM into the culture of the organization.
- 3.3.2.6** Workshop 6 (virtual) Planning for Years 2 and 3: Workshop 6 will allow the cohort to share updates and learnings with their peers, assess what has been effective, identify areas for improvement, and determine their future goals.
- 3.3.2.7** Workshop 7 (virtual) Building Electrification: Workshop 7 will review key technical opportunities for building electrification in educational and public sector building types, with a focus on measures available for support and incentives from SVP. Contractor will review project examples, including estimated impacts on costs, GHG emissions, and energy and non-energy benefits. SVP's Customer Directed Electrification Rebate and other electrification programs, federal incentives and tax credits will also be introduced as example incentives and paybacks for typical projects.
- 3.3.2.8** Workshop 8 (virtual) Load Management Strategies: Workshop 8 will review key strategies to incorporate flexible load management in energy management planning and projects by incorporating controls, sensors and smart technologies focusing on HVAC and lighting and retro-commissioning opportunities.
- 3.3.2.9** Workshop 9 (virtual) Distributed Energy Resources (DER) and Resiliency Strategies: Workshop 9 will review the benefits of DERs for renewable energy and energy resiliency. For example, coaches will define critical facilities (emergency operations

centers, police/fire, schools, hospitals, food banks) and how to consider these facilities as community resiliency hubs. Contractor's coaches will provide tools and methods to assess potential and cost estimates at each facility, benefits of completing energy efficiency first, key considerations for siting and sizing systems (energy loads and consumption, operating hours, renovation status, decarbonization potential, backup resiliency requirements, etc.), financing strategies, available SVP incentives, and federal funding resources.

**3.3.3** Technical Coaching/ One-On-One Activities - Contractor will deliver the following technical coaching and one-on-one activities according to the timelines in Section 5, Program Timeline.

**3.3.3.1** Kickoff Meeting: At least four weeks before the first SEM workshop, Contractor will schedule a kickoff with each enrolled Participant to introduce the SEM coach to the Energy Champion, Executive Sponsor, and key stakeholders, discuss logistics and data access, and answer questions.

**3.3.3.2** Benchmarking: Leveraging Green Button or other available utility data sharing platforms, Praxis enables portfolio benchmarking against ENERGY STAR® industry standards, California Commercial End-Use Survey (CEUS), Commercial Buildings Energy Consumption Survey (CBECS), DOE Building Performance Database, or a custom data set.

**3.3.3.3** Energy Mapping and Significant Energy Uses (SEUs): Energy Coaches support Participants in mapping site energy use and identifying the SEUs that account for substantial energy consumption and/or offers considerable potential for energy performance improvement or carbon reduction.

**3.3.3.4** Opportunity Registers and Energy Action Plans: Energy Coaches work with each Participant to develop Opportunity Registers and Energy Action Plans based on opportunities identified. This plan can include campaigns to educate and engage building occupants and maintenance staff.

**3.3.3.5** Energy Action Plan: The SEM coach will support the Participant's Energy Team in creating an Energy Action Plan to achieve their energy objectives, including identifying specific employee engagement and other activities, allocating necessary resources, determining timeframes for implementation, assigning responsible parties, and establishing methods for Measurement and Verification (M&V).

- 3.3.3.6** Energy Management Assessment: Contractor will review the organization's existing strategies (cost reduction, sustainability, GHG reduction, employee engagement, resilience, etc.) and energy efficiency, electrification, and sustainability project plans, and will perform a baseline EMA to establish the relative maturity of the Participant's energy management practices.
- 3.3.3.7** Treasure Hunt: The SEM coach and Contractor engineers will continue to facilitate treasure hunts for Participants. Part of the process is to teach the Participants the process themselves so Participants can perform follow-up treasure hunts in the future, and/or for additional sites they operate.
- 3.3.3.8** BAS Reviews: Through Building Automation System (BAS) Reviews, Contractor's technical coaches work alongside building operators to review their BAS; Contractor will take time to understand the system and layout, then inspect for anomalies and opportunities. The Contractor team can immediately address many opportunities with the Participant in real time. Some opportunities require further investigation by the Participant or approval and access by others, but those opportunities are tracked in a register, and the Contractor team actively coaches toward issue resolution.
- 3.3.3.9** Annual Planning: The SEM coach will work with Participants to review progress to date and plan for years 2 and 3 of the SEM Program, including coaching support to implement measures and opportunities identified.
- 3.3.3.10** Stakeholder Engagement Support: The SEM coach will also support organizations in developing and implementing stakeholder engagement strategies, borrowing from a rich library of past SEM participants.
- 3.3.3.11** Participant Surveys: Contractor will conduct Participant satisfaction surveys twice annually to gauge the impact of the SEM Program. The surveys will also solicit feedback from Participants to aid in the continuous improvement of Contractor's delivery.

## **3.4** Energy Savings Calculation and Verification

### **3.4.1** Energy Model Development and Savings Calculation

- 3.4.1.1** The primary method of energy savings verification and M&V for the Program will be through meter-based energy models utilizing International Performance Measurement and Verification Protocol Option C. Contractor will perform regression analysis to develop

statistically robust “Energy Consumption Adjustment Models<sup>1</sup>” to verify kWh savings at the site-level.

**3.4.1.2** Methods used to develop the models and calculate savings will align with the following sections of California SEM M&V Guide, Version 3.02<sup>1</sup>:

**3.4.1.2.1** 7.5- Establishing Relationships Between Energy Consumption and Relevant Variables

**3.4.1.2.2** 7.6- Establishing Energy Baseline

**3.4.1.2.3** 7.7- Developing Energy Consumption Adjustment Models

**3.4.1.2.4** 7.8- Reviewing Competing Energy Consumption Adjustment Models

**3.4.1.2.5** 9.3- Calculating Avoided Energy Consumption Energy Savings

**3.4.2** Modeling and Performance Tracking Tool: Contractor will use Praxis, Contractor’s energy software that integrates model development methods in compliance with California SEM M&V Guide, Version 3.02, the NMEC Rulebook<sup>2</sup>, and CalTRACK<sup>3</sup>. Praxis also has data visualization (graphing and charting) that will enable SEM coaches, SVP, and Participants to track energy performance over time.

## **SECTION 4. ROLES AND RESPONSIBILITIES**

**4.1** Recruitment and Outreach – SVP staff will lead participant targeting and outreach. Contractor will provide active support with answering questions and helping to solidify the Energy Champion, and Executive Sponsor, at each organization.

**4.2** Program Marketing Collateral – Contractor will develop marketing collateral including draft language for a 2-page program overview and a marketing presentation that highlights program benefits, resources, and participant expectations and expected outcomes. SVP staff will finalize the materials using internal marketing resources to ensure materials meet SVP design guidelines.

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<sup>1</sup> *California SEM M&V Guide, Version 3.02*, July 06, 2002. Sergio Diaz Consulting. Energy Consumption Adjustment Models is the term used in this reference manual for the mathematical equation that defines the baseline energy use of each site.

<sup>2</sup> *Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption, Version 2.0*, Jan 7, 2020, CPUC.

<sup>3</sup> CalTrack Compliance Checklist- <https://www.caltrack.org/caltrack-compliance.html>. CalTRACK specifies a set of empirically tested methods to standardize the way normalized meter-based changes in energy consumption are measured and reported.

### **4.3 Enrollment Agreement Form –**

**4.3.1** Contractor will provide recommended enrollment language including program terms and conditions.

**4.3.2** Contractor and SVP staff will jointly develop an enrollment form that includes the following inputs and acknowledgements:

**4.3.2.1** Data sharing agreement

**4.3.2.2** Granting of Contractor's team access to sites

**4.3.2.3** Agreement to share experiences in a cohort environment

**4.3.2.4** Delineation of team roles and responsibilities

**4.3.2.5** Commitment of staff resources to program

**4.3.2.6** General Program Terms and Conditions

**4.3.3** Contractor will provide clear expectations to Participants as well as the draft schedule and resource requirements for the program.

**4.4** Milestone Requirements – Contractor will lead the development of the requirements for the four annual Participant milestones and submit to SVP for review and approval.

**4.5** Participant Enrollment – Contractor will assure that Participants sign an enrollment form that clearly outlines the program offering and Participant requirements. Contractor will lead the final confirmation of customer enrollment into the program and submit to SVP for final approval of enrollment of each Participant.

**4.6** Curriculum Development – Contractor will lead the development of all curricula and will provide workshop materials at least 2 weeks prior to each workshop to SVP for review and approval.

**4.7** Participant Program Point of Contact – Contractor will serve as the primary point of contact for enrolled Participants as it relates to the program. Contractor will transfer inquiries to SVP staff on items outside of the program purview.

**4.8** Meter-based Modeling – Contractor will lead the development of models and will submit to SVP for review and approval. Model review and approval will occur on an annual basis in conjunction with annual reporting.

**4.9** Workshop Delivery – Contractor will lead the management and facilitation of workshops. Workshop materials will be finalized and provided to SVP staff no later than two weeks prior to the delivery of each workshop to provide time and review,

and incorporation of input on content and programs. SVP may attend any workshop.

- 4.10** Treasure Hunt Delivery – Contactor will lead the management and facilitation of treasure hunts. SVP may attend.
- 4.11** EMA Delivery – Contractor will lead the management and facilitation of EMAs. SVP may attend.
- 4.12** Other One-on-one Delivery Methods – Contactor will lead the management and facilitation of other one-on-one delivery methods, such as building automation system reviews and resiliency studies. SVP may attend.
- 4.13** Technical Support Hours Tracking – Contractor will track program hours spent with each Participant individually with the goal of serving all Participants equally. SVP may grant a reallocation of support hours for Participants that are actively engaged and may reduce hours for Participants that are not engaged.
- 4.14** Capital Savings Implementation – Throughout the lifecycle of the program, Contractor will identify and vet potential capital projects and inform SVP staff of potential opportunities.
- 4.15** Participant Satisfaction Surveys – Contractor will lead the delivery of customer satisfaction surveys two times annually to gauge the impact of the program.

## **SECTION 5. PROGRAM TIMELINE**

### **5.1 Pre-Launch Activities - NTP + 13 weeks**

**5.1.1** Program Development; NTP + 4 weeks

**5.1.2** Implementation Plan and Documents for Launch; NTP + 4 weeks

**5.1.3** SEM Training Curriculum Refinement; NTP + 4 weeks

**5.1.4** Recruitment Plan; NTP + 4 weeks

**5.1.5** Program Marketing Collateral; NTP +4 weeks

**5.1.6** Participant Recruitment; NTP + 13 weeks

**5.1.7** Participant Targeting; NTP + 4 weeks

**5.1.8** Outreach and Recruitment; NTP + 11 weeks

**5.1.9** Enrollment; NTP + 13 weeks

### **5.2 Program Delivery – NTP + 39 months**

**5.2.1** Year 1 Activities; NTP + 15 months

- 5.2.1.1** Participant Kickoffs; NTP + 15 weeks
- 5.2.1.2** Workshop 1 (in-person) General Information; NTP + 4.5 months
- 5.2.1.3** Workshop 2 (virtual) Getting Started; NTP + 6 months
- 5.2.1.4** Participant Survey; NTP + 6 months
- 5.2.1.5** Workshop 3 (virtual) Improving Performance; NTP + 8 months
- 5.2.1.6** Workshop 4 (virtual) Measuring Success; NTP +10 months
- 5.2.1.7** Workshop 5 (virtual) Stakeholder Engagement; NTP + 13 months
- 5.2.1.8** Participant Survey; NTP + 13 months
- 5.2.1.9** Initial Model Development; NTP + 7.5 months
- 5.2.1.10** Treasure Hunts; NTP + 8 months
- 5.2.1.11** Energy Management Assessments; NTP + 12 months
- 5.2.1.12** Other One-on-one Technical Coaching; NTP + 15 months
- 5.2.1.13** Annual Reports; NTP + 15 months

**5.2.2** Year 2 Activities; NTP + 27 months

- 5.2.2.1** Workshop 6 (virtual) Planning for Years 2 and 3; NTP + 17.5 months
- 5.2.2.2** Participant Survey; NTP + 17.5 months
- 5.2.2.3** Workshop 7 (virtual) Building Electrification; NTP + 20 months
- 5.2.2.4** Model Review and Quality Control (QC); NTP + 23.5 months
- 5.2.2.5** Treasure Hunts or Other Onsite Work; NTP + 21 months
- 5.2.2.6** Participant Survey; NTP + 25 months
- 5.2.2.7** Energy Management Assessments; NTP + 25 months
- 5.2.2.8** Other One-on-one Technical Coaching; NTP + 27 months
- 5.2.2.9** Annual Reports; NTP + 27 months

**5.2.3** Year 3 Activities; NTP + 36 months

- 5.2.3.1** Workshop 8 (virtual) Load Management Strategies; NTP + 29 months
- 5.2.3.2** Participant Survey; NTP + 29 months
- 5.2.3.3** Workshop 9 (virtual) Distributed Energy Resources and Resiliency Strategies; NTP + 32 months
- 5.2.3.4** Model Review and QC; NTP + 35 months
- 5.2.3.5** Treasure Hunts or Other Onsite Work; NTP + 35 months
- 5.2.3.6** Participant Survey; NTP + 37 months
- 5.2.3.7** Energy Management Assessments; NTP + 37 months
- 5.2.3.8** Other One-on-one Technical Coaching; NTP + 39 months
- 5.2.3.9** Annual Reports; NTP + 39 months

**5.3** Where appropriate, Contractor may initiate tasks ahead of the above schedule provided that Contractor provides Services to Participants for a full 36 months.

## **SECTION 6. REPORTS**

- 6.1** Contractor will deliver monthly and annual reports to SVP staff for review and approval. In addition, regular program status and coordination calls will also be scheduled to provide program updates, as agreed upon with SVP.
- 6.2** Reports include:
  - 6.2.1** Monthly Program Reporting – Contractor will report on the monthly and annual progress of the program, including activities, curriculum delivered, and technical activities deployed to Participants.
  - 6.2.2** Annual Reporting – Contractor will provide an annual report (final monthly report of the task year) which will describe program activities and milestones completed, Energy Action Plans, program deliverables, project implemented, claimable energy impacts, and project referrals to other programs at SVP.
  - 6.2.3** Annual Energy Model Review – Contractor will submit the energy models for each Participant for review and approval of estimated savings by SVP.
  - 6.2.4** One-on-one Technical Coaching Hours – Contractor will establish an average budget per Participant which shall include model development, treasure hunts, operation calls, and onsite support. Contractor will notify SVP and the Participant if Participants are close to exceeding the budgeted hours



for each Participant. Contractor shall not exceed budgeted hours without written approval from SVP. If such additional budgeted hours will result in total costs exceeding the maximum compensation in Section 6 of the Agreement, an amendment to this Agreement shall be executed in advance of performing additional services.

**6.3** Energy and Sustainability Metrics will be tracked for behavioral, retro-commissioning, and operational measures. Metrics associated with capital measures will be tracked through other offerings: – Metrics tracked will include:

**6.3.1.1** First Year electric savings – kWh

**6.3.1.2** Lifetime electric savings – kWh

**6.3.1.3** Demand reduction – kW

**6.3.1.4** Carbon equivalent/GHG reduction – CO<sub>2</sub>e

**6.3.1.5** Participant Energy Management Practices – through EMAs

**6.3.1.6** Participant Satisfaction – through twice annual surveys

**EXHIBIT B**  
**SCHEDULE OF FEES AND PAYMENT PROVISIONS**

**SECTION 1. MAXIMUM COMPENSATION**

The maximum compensation payable to Contractor during the Term shall not exceed the amount in Section 6 of this Agreement.

**SECTION 2. FEE SCHEDULE**

2.1 Contractor's compensation is set forth in Table 1 below.

**Table 1**

<b>Cost Elements</b>	<b>Basis</b>	<b>Billing Method</b>	<b>Not-to-Exceed Amount</b>
Program Development	Time & Materials, Not to Exceed	See Section 2.2 below	\$27,966.00
Administration	Time & Materials, Not to Exceed	See Section 2.2 below	\$45,504.00
Nine (9) Workshops	Fixed	\$18,000 per workshop delivered	\$162,000.00
Coaching, Technical Support, and Energy Modeling	Time & Materials, Not to Exceed	See Section 2.2. below	\$286,830.60
Pay-for-Performance	Pay for Performance (PFP), Not to Exceed	Billed annually at \$0.06896/ kWh "SEM savings" delivered, based on SEM savings goal of 841,500 kWh	\$58,033.40
Subtotal			\$580,334.00
Additional sites among enrolled participants	Fixed	Assumes a cohort of eight (8) participants or less and twelve (12) buildings. \$4,200 for each additional building over twelve (12).	\$33,600.00
<b>Maximum Compensation</b>			<b>\$613,934.00</b>

2.2 **Time and Materials, Not to Exceed.** Contractor shall invoice all Program Development, Administration, and Coaching, Technical Support, and Energy Modeling services at the hourly rates listed in Table 2 below. If the services can be

completed for less than the not to exceed amount listed in Table 1, only the actual amount shall be invoiced.

**Table 2**

<b>Position</b>	<b>Hourly Rate</b>
Director	\$260
Principal Engineer	\$260
Engineering Manager	\$225
SEM Coach Manager	\$225
Senior Program Manager	\$225
Lead Engineer	\$215
Lead SEM Coach	\$215
Lead Analyst	\$215
Program Manager	\$215
Senior Engineer	\$195
Senior Analyst	\$195
Senior SEM Coach	\$195
Senior Project Manager	\$195
Staff Engineer	\$175
Staff Analyst	\$175
Staff SEM Coach	\$175
Project Manager	\$175
Engineer	\$155
(Energy) Analyst	\$155
SEM Coach	\$155
Program Coordinator II	\$155
Associate Engineer	\$125
Associate Analyst	\$125
Program Coordinator I	\$125
Engineering Assistant	\$115
Technician	\$105

**2.3 Rate Increase.** Hourly rates shall remain fixed for the first two years of the Agreement. After two years, rates may be negotiated no more than once annually. Contractor shall notify the City ninety (90) days in advance of any proposed rate increase. Any rate increases are subject to approval by the City and must be substantiated by the Contractor to the satisfaction of the City. All rate adjustments must be approved by the City through an amendment to this Agreement. References to alternate rates in quotes that have not been separately authorized pursuant to this section are not approved. Fixed prices shall not be increased during the Term.

**2.4 Reimbursable Expenses.** Any and all reimbursable expenses shall be reimbursable only to the extent that (1) Contractor submits sufficient documentation to City that the expenses were directly incurred in providing the required Services, (2) Contractor demonstrates that such expenses aren't included in the hourly rate where applicable, (3) such expenses were approved in advance, (4) Contractor submits receipts, invoices, or other supporting documentation demonstrating that such reimbursable costs were incurred.

<b>Reimbursable Expense Schedule</b>		<b>Mark Up</b>
1.	The cost of mailing, shipping and/or delivery of any documents or materials.	No Markup
2.	The cost of photographing, printing, reproducing and/or copying any documents or materials.	No Markup
3.	Charges for outside services (including subcontractor fees, equipment, materials, and facilities not furnished directly by Contractor).	No Markup
4.	Other reimbursable expenses with prior written approval from the City	No Markup
5.	Allowable mileage will be charged at the prevailing IRS rate per mile.	No Markup
6.	Unless approved in writing (e-mail acceptable) in advance, meals, lodging, and related per diem shall not exceed the rates outlined by United States General Services Administration (GSA). <a href="https://www.gsa.gov/travel-resources">https://www.gsa.gov/travel-resources</a> . Airfare or rental car, where applicable shall be at economy rates.	No Markup

**2.5 Additional Services.** In the event that additional services are required that are outside the scope of this Agreement and/or it is determined that the not to exceed amounts specified in Table 1 will be exceeded, then City and Contractor shall negotiate a price for such services in accordance with the hourly rate schedule shown in Table 2. Contractor shall not perform any additional services until receipt of City's written approval. If such approval will result in maximum compensation exceeding the amount in Section 6 of the Agreement, an amendment to this Agreement is required to authorize such additional costs.

### **SECTION 3. PAYMENT PROVISIONS**

- 3.1** Contractor shall provide a monthly invoice to the City as outlined herein. Invoices must include the following information: Invoice Number, Purchase Order Number (if applicable), and Invoice Period. Each invoice shall provide sufficient detail for the City to verify that the rates listed in Tables 1 and 2 are charged including, but not limited to position and hourly rate.
- 3.1.1** For the time and materials basis of compensation, Contractor will base its invoice on the hours with the Services completed during the invoice period.
- 3.1.2** For the fixed fee basis of compensation, Contractor will base its invoice on the agreed upon payment schedule.
- 3.1.3** For the Pay-for Performance basis of compensation, Contractor will provide an invoice to the City on annual basis based on the calculation stated in Table 1 above.
- 3.2** Pre-Payment. City shall not be required to pay a deposit or any other form of pre-payment prior to Contractor beginning the Services.
- 3.3** Payment Limited to Satisfactory Work. Contractor is not entitled to any payments until the City concludes that the Services and/or any furnished deliverables have been satisfactorily performed.
- 3.4** Disputed Invoices. If the City in good faith disputes any portion of an invoice, the City shall pay the undisputed portion of the invoice and submit written notice to Contractor regarding the disputed amount. The notice shall include documentation supporting the disputed amount.
- 3.5** Payment. If there are no discrepancies or deficiencies in the submitted invoice and Contractor has submitted all required certified payroll, City shall process the invoice for payment. Payment will be made by the City to Contractor within net 30 days of approval. If payment for an undisputed invoice is not received within Net 30 days, Contractor has the right to stop work associated with this Agreement until past due balances are resolved.

## **EXHIBIT C INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

### **A. COMMERCIAL GENERAL LIABILITY INSURANCE**

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence  
\$2,000,000 General Aggregate  
\$2,000,000 Products/Completed Operations Aggregate  
\$1,000,000 Personal Injury

2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
  - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
  - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
  - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

### **B. BUSINESS AUTOMOBILE LIABILITY INSURANCE**

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.
  - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

- b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

#### E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

#### F. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with



the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

G. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.  
City of Santa Clara – Silicon Valley Power  
P.O. Box 100085 – S2 or 1 Ebix Way  
Duluth, GA 30096 John's Creek, GA 30097

Telephone number: 951-766-2280  
Fax number: 770-325-0409  
Email address: [ctsantaclara@ebix.com](mailto:ctsantaclara@ebix.com)

H. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives