

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA
AND
ESCI, INC.
DOING BUSINESS AS
ELECTRICAL SAFETY CONSULTANTS, INC.**

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Electrical Safety Consultants, Inc. (ESCI, Inc.), a Washington Corporation doing business as Electrical Safety Consultants, Inc. (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. City desires to secure the services more fully described in this Agreement, at 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 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

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

- A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on June 1, 2022 and expire on January 31, 2027 ("Initial Term").
- B. After the Initial Term, City reserves the right, at its sole discretion, to extend the term of this Agreement for up to five (5) additional one-year terms through January 31, 2032 ("Option Periods"). City shall provide Contractor with no less than thirty (30) days prior written notice of its intention to exercise its option to extend the term of this Agreement, unless the Parties mutual agree to waive such notice. The Parties shall execute an Amendment to extend the 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

Contractor expressly warrants that all materials and services 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 upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate or defective Services 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 materials or services, City may make corrections or replace materials or services 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 for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES AND PAYMENT PROVISIONS." The Maximum Compensation of this Agreement during the Initial Term is Five Hundred Thousand Dollars (\$500,000), 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. All work performed or materials provided in excess of the Maximum Compensation shall be at Contractor's expense. City does not guarantee any minimum compensation under this Agreement. 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 other than Project, 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 of this Agreement and for four (4) years from the date of final payment for goods or services 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 Scope of 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 of this Agreement, 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
svpcontracts@santaclaraca.gov, jcoleman@santaclaraca.gov, and
manager@santaclaraca.gov

And to Contractor addressed as follows:

ESCI, Inc.
P.O Box 7210 Mesa, AZ 85216
Phone: (360)-676-8808
ATTN: Barry Kropp
Email: barry@esci.net

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 to this Agreement.

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.

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

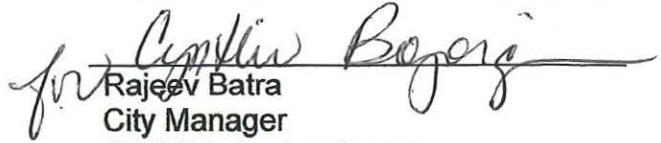
CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:



Office of the City Attorney
City of Santa Clara

Dated: 7/7/2022



Rajeev Batra
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

ESCI, INC.
DOING BUSINESS AS
ELECTRICAL SAFETY CONSULTANTS, INC.

A Washington Corporation

Dated: 6/25/22

By (Signature): 

Name: Barry Kropp

Title: CEO

Principal Place of
Business Address: P.O Box 7210 Mesa, AZ 85216

Email Address: barry@esci.net

Telephone: 360-676-8088

"CONTRACTOR"

ATTACHMENT A – STATEMENT OF REQUIREMENTS

1. GENERAL

- 1.1.** Contractor shall provide electrical safety services, in support of Silicon Valley Power (SVP), the City of Santa Clara's electric utility.
- 1.2.** Contractor shall perform the required electrical safety services in accordance with Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), California OSHA, and other relevant regulatory agency requirements.
- 1.3.** Electrical safety services shall include, but not be limited to:
 - 1.3.1.** Reviewing SVP's current environmental, health and safety plans, permits, and procedures (collectively, "EH&S plans") that comprise the department's safety manual;
 - 1.3.2.** Developing new electrical safety plans as needed to keep the SVP safety manual updated and compliant with OSHA;
 - 1.3.3.** Providing trainings and drills on the various electrical safety plans;
 - 1.3.4.** Providing audits as needed; and
 - 1.3.5.** Creation and management of a comprehensive electrical safety compliance program.
- 1.4.** Contractor shall stay up to date on emerging State and/or Federal issues that may affect SVP utility operations, and inform SVP of any such issues. Contractor shall update/develop electrical safety plans to reflect the changes accordingly.
- 1.5.** Contractor shall develop a 5-year compliance calendar that will be used to track when critical tasks need to be performed for applicable electrical safety plans including, but not limited to: reviews; updates; employee trainings; drills; and audits.
 - 1.5.1.** Contractor shall update the calendar as required by SVP.
 - 1.5.2.** Contractor shall provide SVP with the most updated version of the calendar.
- 1.6.** Contractor shall provide a 24/7/365 emergency contact number to SVP.
- 1.7.** "City" and "SVP" are used interchangeably throughout this Agreement.

2. ELECTRICAL SAFETY PLAN REVIEW SERVICES

2.1. General

- 2.1.1.** On at least an annual basis, Contractor shall review SVP's current electrical safety plans to ensure compliance with current EPA, California OSHA, Federal OSHA, and other relevant regulatory agency requirements.

- 2.1.1.1. Contractor shall review and update each electrical safety plan in accordance with the requirements specific to the respective plan and/or applicable regulatory agency.
- 2.1.1.2. Contractor shall include and track the review dates in the 5-year compliance calendar.
- 2.1.1.3. Plan reviews shall be conducted by Contractor employees who are subject matter experts within the technical areas of electrical safety.
- 2.1.2. When Contractor updates electrical safety plans, Contractor shall provide a red-lined version of each plan in accordance with Section 2.3 below.
- 2.2. Current Electrical Safety Plans: Contractor shall review the electrical safety plans listed below.
 - 2.2.1. Safety
 - 2.2.1.1. Fall Protection and Post Fall Rescue (1 plan);
 - 2.2.1.2. Enclosed Space Entrant, Attendant, and Supervisor (1 plan);
 - 2.2.1.3. Personal Protective Equipment (PPE) (1 plan);
 - 2.2.1.4. Capacitors (1 plan);
 - 2.2.1.5. Electrical Grounding (1 plan);
 - 2.2.1.6. Working on or Near Exposed Energized Parts (1 plan);
 - 2.2.1.7. Hot Stick/Live Line Tools Testing (1 plan);
 - 2.2.1.8. Personal Protective Grounds Testing (1 plan);
 - 2.2.1.9. Pole-Top/Bucket Truck/Vault Rescue (1 plan);
 - 2.2.1.10. Rubber Glove Certification Course & Re-Certification (1 plan);
 - 2.2.1.11. Electric Meter Setting & Installation (1 plan);
 - 2.2.1.12. Live Line Tool Application & Maintenance (1 plan);
 - 2.2.1.13. Setting /Removing/Testing Wood Poles (1 plan);
 - 2.2.1.14. Hot washing of electrical equipment (1 plan);
 - 2.2.1.15. Protective Grounding Procedures (1 plan);
 - 2.2.1.16. Use and care of aerial lifts for rubber glove work (1 plan);
 - 2.2.1.17. Use and care of rubber gloves and other insulating equipment and devices for distribution line work (1 plan).
- 2.3. **Safety Plan Review and Approval**
 - 2.3.1. When Contractor updates electrical safety plans, Contractor shall follow the review and approval process below.

2.3.2. First Draft

- 2.3.2.1. Contractor shall submit the first draft of the redlined plan(s) to SVP via email. The redlined plan(s) shall include all updates to regulatory rules that would affect SVP's electrical safety programs.
- 2.3.2.2. Contractor shall submit the redlined plan(s) in Word format.
- 2.3.2.3. SVP will review the redlined plan(s) and provide feedback/comments to Contractor.

2.3.3. Final Draft

- 2.3.3.1. Contractor shall submit the final draft of the redlined plan(s), incorporating SVP's feedback and comments, to SVP via email.
 - 2.3.3.2. The plan(s) shall be submitted in Word and PDF formats.
 - 2.3.3.3. SVP shall review and, if there are no issues, approve the final draft.
- 2.3.4. If Contractor reviews an electrical safety plan and determines that no updates are needed, Contractor shall provide a written statement to SVP verifying that no updates are required at the time of review.

3. ELECTRICAL SAFETY PLAN DEVELOPMENT SERVICES

- 3.1. Contractor shall develop electrical safety plans, as needed, to ensure compliance with current EPA, California OSHA, Federal OSHA, and other relevant regulatory agency requirements.
- 3.2. When new plans need to be developed, Contractor shall identify the minimum components required for each plan and include them in the developed plan(s).
- 3.3. SVP has identified the following plans for the Contractor to develop. This is not an exhaustive list; Contractor may be required to develop additional plans not identified below.
 - 3.3.1. Electrical Safety
 - 3.3.1.1. Battery Handling/Changing/Charging (need 1 plan);
 - 3.3.1.2. Bucket (Aerial Lift Operations) (need 1 plan);
 - 3.3.1.3. Qualified Electrical Worker (need 1 plan);
 - 3.3.1.4. Voltage Regulation (need 1 plan);
 - 3.3.1.5. Two-man rule for Electrical Workers (need 1 plan).

3.4. Review and Approval Process

3.4.1. Contractor shall submit developed electrical safety plans for review and approval in accordance with the process below.

3.4.2. First Draft

3.4.2.1. Contractor shall submit a copy of the first draft of the developed plan(s) to SVP via email.

3.4.2.2. The draft plan(s) shall be in Word format.

3.4.2.3. SVP will review the draft plan(s) and provide feedback/comments to Contractor.

3.4.3. Final Draft

3.4.3.1. Contractor shall submit the final draft of the developed plan(s), incorporating SVP's feedback and comments, to SVP via email.

3.4.3.2. The plan(s) shall be submitted in Word and PDF formats.

3.4.3.3. SVP shall review and, if there are no issues, approve the final draft.

4. ELECTRICAL SAFETY TRAINING AND DRILL SERVICES

4.1. Contractor shall provide training to SVP staff on the electrical safety plans listed above.

4.2. Training shall include, but not be limited to, the following topics.

4.2.1. The electrical safety plans listed in Sections 2 and 3 above;

4.2.2. Transmission & Distribution training;

4.2.3. Supervisor Leadership Safety Skills;

4.2.4. 29 Code of Federal Regulations (CFR) OSHA 1910.269 and 29 CFR OSHA 1926 Subpart V;

4.2.5. Live line hot stick, rubber glove and bare-hand work methods, and training from voltages of 4 kV to 765 kV;

4.2.6. Overhead, Underground and Substation Equipotential Personal Protective Grounding; and

4.2.7. Utility Safety.

4.3. Contractor shall be able to provide training in the following formats.

4.3.1. Onsite, instructor-led;

4.3.2. Remote, instructor-led; and

4.3.3. Computer-based (e-learning).

4.4. Training Cycles

4.4.1. Trainings may be given on the following cycles.

4.4.1.1. Annually;

4.4.1.2. Bi-annually;

4.4.1.3. Every three years;

4.4.1.4. Every five years.

4.4.2. Trainings may also be given on an as-needed basis.

4.4.3. The cycles for each training shall be driven by the rules and requirements for the electrical safety plan.

4.4.4. Contractor shall track the training cycles using the compliance calendar.

4.5. Training Drills

4.5.1. Contractor shall also organize and conduct annual training drills, to include but not be limited to the following topics.

4.5.1.1. Enclosed space rescue;

4.5.1.2. Pole top and bucket truck rescue; and

4.5.1.3. Hazardous material spill.

4.6. Contractor shall provide refresher training courses, as requested.

5. AUDITS

5.1. Contractor shall conduct periodic electrical safety audits at the request of SVP.

5.2. Contractor shall conduct audits in accordance California OSHA, Federal OSHA and other applicable best practices standards.

5.3. The focus of the audits shall include, but not be limited to:

5.3.1. Utility programs; and

5.3.2. Utility facilities.

5.4. Contractor shall provide a report following each conducted audit that includes remedies to address any deficiencies discovered during the audit.

5.4.1. Contractor shall provide cost estimates of the suggested remedies.

5.4.2. Contractor shall provide audit report within sixty (60) days of conducting the audit.

6. ELECTRICAL SAFETY COMPLIANCE PROGRAM

- 6.1.** Contractor shall create a comprehensive electrical safety compliance program that can be easily accessed via a digital platform and/or hard copy.
- 6.2.** Contractor shall incorporate SVP's electrical safety plans (both current and developed by Contractor) into the compliance program.
- 6.3.** Additionally, the electrical safety compliance program shall include, but not be limited to, the following services.
 - 6.3.1.** Safety standards development;
 - 6.3.2.** Work methods development;
 - 6.3.3.** Substation maintenance management program development;
 - 6.3.4.** Expert witness services for litigation proceedings;
 - 6.3.5.** Development of test programs to qualify tools, equipment, and systems for utility applications;
 - 6.3.6.** On-site equipment safety inspections;
 - 6.3.7.** Consulting and testing services for tools and equipment meeting U.S. and international standards;
 - 6.3.8.** Consulting services to manufacturers and suppliers for equipment design and qualification for utility applications;
 - 6.3.9.** Forensic engineering of accidents for litigation preparation;
 - 6.3.10.** Code application and interpretation assistance;
 - 6.3.11.** Electric Field Induction and Magnetic Field Induction expertise;
 - 6.3.12.** FR Body Protection Policies and Support; and
 - 6.3.13.** Advanced Transformer Theory, Connections, and Troubleshooting.

7. PROJECT QUOTES AND AUTHORIZATION OF WORK

- 7.1.** When electrical safety services are required by SVP, SVP will submit a request to Contractor.
- 7.2.** Contractor shall submit a quote for the required services and receive approval pursuant to this section in advance of commencing work.
- 7.3.** Contractor's quote shall include the following details.
 - 7.3.1.** The specific service(s) to be performed;
 - 7.3.2.** Location(s) where services will be performed;
 - 7.3.3.** The project schedule for review and approval by SVP;

- 7.3.4.** Estimated cost for the requested services, including the following. Items not specified are assumed to be included in the hourly rate.
 - 7.3.4.1.** Labor costs;
 - 7.3.4.2.** Materials;
 - 7.3.4.3.** Any additional costs such as taxes, fees and reimbursable expenses, where applicable; and
 - 7.3.4.4.** Total not to exceed price.
- 7.3.5.** The terms of this Agreement will prevail over any and all contractor terms and conditions including, but not limited to any terms listed on a quote.
- 7.3.6.** All submitted pricing shall be in accordance with the rates authorized in Exhibit B of this Agreement.
- 7.3.7.** Items not included in the quote are assumed to be included in the hourly rate.
- 7.4.** SVP will review the submitted quote and, if there are no issues or concerns, approve the quote and provide written authorization (approval) for Contractor to begin work. Written authorization may only be provided by a Division Manager, Senior Division Manager, Assistant Director of the Electric Utility, Electric Utility Chief Operating Officer, or Chief Electric Utility Officer (e-mail is acceptable).
- 7.5. Changes**
 - 7.5.1.** Contractor shall notify SVP immediately when a situation occurs that may result in a change to the quoted project cost. Contractor shall provide reason for the change specific to each work authorization.
 - 7.5.2.** Contractor shall submit to SVP an updated quote for review and approval from SVP in advance of performing the work. Written authorization may only be provided by a Division Manager, Senior Division Manager, Assistant Director of the Electric Utility, Electric Utility Chief Operating Officer, or Chief Electric Utility Officer.
- 7.6.** SVP shall not be required to pay a deposit or any other form of pre-payment prior to the Contractor beginning work.

EXHIBIT B
SCHEDULE OF FEES AND PAYMENT PROVISIONS

1. MAXIMUM COMPENSATION

- 1.1. The maximum amount of compensation to be paid to Contractor during the Initial Term of this Agreement shall not exceed Five Hundred Thousand dollars (\$500,000).
- 1.2. Pricing shall remain fixed for the first two (2) years of this Agreement.

2. ELECTRICAL SAFETY PLAN REVIEW, DEVELOPMENT AND AUDIT SERVICE RATES

- 2.1. Contractor shall perform the required electrical safety plan review, development, and audit services in accordance with the rates below.
 - 2.1.1. On-site safety and work methods training, and field and facilities audits: \$3,200 per day, per Contractor employee.
 - 2.1.2. Additional safety and work methods training in the field: \$2,400 per day, per Contractor employee
 - 2.1.3. On-site written work methods and safety policy development, review, and revision consulting: \$3,800 per day, per Contractor employee.
 - 2.1.4. Remote written work methods and safety policy development, review, and revision consulting: \$420 per hour, per Contractor employee.
 - 2.1.5. Live-line hot stick and rubber glove training: \$4,200 per day, per Contractor employee.
- 2.2. Contractor may request adjustments to the compensation rates beginning in year 3 of this Agreement and including option periods.
 - 2.2.1. Contractor shall notify City ninety (90) days in advance of any proposed rate increase.
 - 2.2.2. The Contractor must demonstrate to the satisfaction of the City that a price increase is warranted.
 - 2.2.3. City approval or denial of the requested rate adjustment will be provided in writing (e-mail acceptable).
 - 2.2.4. Rate adjustments may be requested no more than once per calendar year.
 - 2.2.5. Any approved rate adjustment shall not exceed 4%.

3. REIMBURSABLE EXPENSES

- 3.1. Contractor may submit invoices for reimbursement of expenses set forth below, subject to the following conditions.

- 3.2. Expenses shall be reimbursable only to the extent that the Contractor submits sufficient documentation to City that the expenses were directly incurred in providing the required services and that such expenses aren't included in fixed or hourly rates.
- 3.3. The following expenses shall be reimbursable by City.
 - 3.3.1. Travel-related expenses (mileage, lodging, meals, etc.);
 - 3.3.1.1. 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).
<https://www.gsa.gov/travel-resources>
 - 3.3.1.2. City shall not reimburse local travel (within Santa Clara County).
 - 3.3.2. The rental of any specialized equipment to the extent City has preapproved, in writing, the cost of such rental.
 - 3.3.3. The cost of mailing, shipping and/or delivery of any documents or materials on behalf of City.
 - 3.3.4. Any other expenses expressly identified as being reimbursable.
- 3.4. Except as specified above, City will reimburse these expenses at actual cost only.
- 3.5. An estimate of reimbursable expenses shall be included in each quote.

4. INVOICING

- 4.1. Contractor shall submit an invoice to City monthly, pursuant to this Agreement.
- 4.2. Each invoice shall include the tasks performed and the costs for each task with sufficient information for the City to verify that services were provided at the rates specified in this Agreement.
- 4.3. If City disputes an expense in an invoice, City may deduct the disputed expense from the payment of that invoice, provided that City submits to Contractor a written explanation of why the expense is being disputed.

5. PAYMENT TO CONTRACTOR

- 5.1. City shall review the invoice submitted by Contractor and shall notify Contractor of any discrepancies or deficiencies in said invoice.
- 5.2. If there are no discrepancies or deficiencies in the submitted invoice, City shall process the invoice for payment.

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:

\$2,000,000 each occurrence
\$2,000,000 General aggregate
\$2,000,000 Products/Completed Operations aggregate
\$2,000,000 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. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. 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. General Aggregate. The general aggregate limits shall apply separately to Contractor's work under this Agreement providing coverage at least as broad as Insurance Services Office (ISO) Endorsement CG 2503, 1985 Edition, or insurer's equivalent (CGL);
4. 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.
5. 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.

F. 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.

G. 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.

H. 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

