

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
NAZ & CO. DBA TRUE BLUE AUTOMATION SERVICES**

PREAMBLE

This Agreement is entered into as of the City's execution date (Effective Date) between the City of Santa Clara, California, a chartered California municipal corporation (City) and NAZ & CO., doing business as True Blue Automation Services, a California corporation (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

Exhibit D – Labor Compliance Addendum

Exhibit E – Notice of Exercise of Option to Extend Agreement Form

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. **Initial Term.** 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 the Effective Date and extend through June 30, 2022 ("Initial Term").
- B. **Options to Extend.** After the Initial Term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for up to four (4) additional one-year terms through June 30, 2026 ("Option Periods"). See Exhibit E for Notice of Exercise of Option to Extend Agreement Form.

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." The maximum compensation of this Agreement is set forth in Exhibit B, which is subject to budget appropriations and 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. 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: Water & Sewer Utilities Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at NLui@santaclaraca.gov, and
Water@santaclaraca.gov

And to Contractor addressed as follows:

NAZ & CO. DBA True Blue Automation Services
Attention: Berk Gurkan
3987 First St., Suite L
Livermore, CA 94551
and by e-mail at sales@tbautomationservices.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 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:

Dated: _____

BRIAN DOYLE
City Attorney

DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

“CITY”

NAZ & CO. DBA TRUE BLUE AUTOMATION SERVICES
a California corporation

Dated: 04/09/2021

By (Signature): 

Name: Berk Gurkan

Title: Chief Executive Officer

Principal Place of 3987 First St., Suite L

Business Address: Livermore, CA 94551

Email Address: sales@tbautomationservices.com

Telephone: (925) 808-7331

Fax: (925) 808-7331

“CONTRACTOR”

EXHIBIT A SCOPE OF SERVICES

1. INTRODUCTION

The City's Water & Sewer Utilities Department is responsible for maintaining 26 water well sites, four water storage tank sites, seven sewer pump station sites, and 22 storm pump station sites. Under this Agreement, Contractor shall provide all necessary equipment, tools, materials, labor, and supplies to assist the City on as-needed in troubleshooting, testing, calibrating, and repairing/replacing site equipment and controls to ensure proper operation.

2. GENERAL REQUIREMENTS

- 2.1.** Contractor shall be solely and completely responsible for the conditions of the job site, including safety of its workers and all persons and property during performance of work. Any hazardous conditions noted by Contractor shall be reported immediately to the City.
- 2.2.** Contractor shall effectively partner with other sub-contractors, vendors, or suppliers as required to complete projects and as directed by the City.
- 2.3.** Contractor shall provide a Health and Safety and Injury and Illness Prevention Plan prior to commencing work.
- 2.4.** Contractor (including subcontractors) shall be an individual or firm licensed to do business in California and shall obtain at Contractor's expense all license(s) and permit(s) required by law for accomplishing all work required herein.

3. WORKMANSHIP AND MATERIALS

- 3.1.** All materials and work shall be in accordance with the rules and requirements of the National Electrical Code (NEC), Occupational Safety and Health Administration (OSHA), and any other applicable federal, state, and local laws and regulations. If Contractor experiences difficulty in achieving strict compliance with all such applicable laws and regulations, Contractor must contact the City and submit an acceptable alternative plan to achieve conformance.
- 3.2.** Contractor must warranty all workmanship and materials for a period of one (1) year from the date of acceptance by the City.
- 3.3.** Completed work shall be to the entire satisfaction of the City. The City shall be the sole judge as to whether the materials or workmanship is acceptable. Contractor shall immediately replace, at its own expense, all unacceptable materials and services. Contractor shall correct unacceptable materials and services within five (5) business days after notification by the City. The City will review and inspect all work completed by the Contractor which must be deemed as acceptable prior to payment.

4. PROJECT MANAGEMENT

- 4.1.** Contractor shall work closely with City staff, including technicians, utility crew leaders, and supervisors, to determine work requirements.
- 4.2.** Contractor shall designate an Account Manager/Representative as the point of contact for the City. In addition and to the extent possible, Contractor shall dedicate the same technicians and crew to service the needs of the City to allow for familiarity of the system and stations.

5. WORK ORDERS

- 5.1.** When work under the contract is required, the City shall notify Contractor regarding the location and general nature of work, and will issue the proper work orders and instructions for the execution of work.
- 5.2.** For non-emergency work, prior to the commencement of work, Contractor shall provide City with a not to exceed estimated cost of the work. Contractor shall notify City, with as much advanced notice as possible, if it is determined that the estimate will be exceeded.
- 5.3.** Contractor must obtain written authorization from the City prior to commencement of work.

6. SCOPE OF SERVICES

The scope of services includes all work to perform electrical services related to the City's water, sewer, and storm assets. Work includes but are not limited to:

6.1. Generators

- 6.1.1.** Perform minor electrical testing, wiring or gauge replacement.
- 6.1.2.** Test, remove, and/or reinstall various styles of block-heaters or any components thereof.
- 6.1.3.** Ground short trace downs.
- 6.1.4.** Obtain voltage, amperage, hertz or other needed quantitative electrical measurements.
- 6.1.5.** Diagnose and troubleshoot electrical problems or failures relating to electric generation on large diesel generators and manual/automatic transfer switches.

6.2. Control Panels: Electric and Motor Controls

- 6.2.1.** Install, maintain, and repair new and existing equipment.
- 6.2.2.** Install, maintain, troubleshoot, and repair electrical and electronic control systems.
- 6.2.3.** Test voltage, amps, ohms, hertz, and other quantitative measurements on power sources from 12VDC up to 600VAC (for up to three phases).
- 6.2.4.** Test and troubleshoot switches, contactors, relays, motor control units, hour meters, panel lighting, gauges, instrumentation, panel indicator lights, and related panel features.
- 6.2.5.** Wire new switches, contactors, breakers, relays, soft starters, Variable Frequency Drives (VFD), plugs, meters, Programmable Logic Controllers (PLC), and other control related features.

6.3. Pumps

- 6.3.1.** Check rotation, phase change, phase loss, insulation testing, and overloads.
- 6.3.2.** Measure amps, volts, hertz, and other quantitative measurements relating to proper pump operations.
- 6.3.3.** Inspect, remove, and reinstall power cables, cannon plug heads, sensors and other pump related electrical issues.

6.4. Site

- 6.4.1.** Install, program, troubleshoot, and maintain existing electrical infrastructure at utility stations. The electrical infrastructure includes conduit and wiring, monitor and control of instrumentation, pumps and motors, panelboards, generators and the like.
- 6.4.2.** Install and maintain new or existing electrical fixtures (such as lights, receptacles, conduit (EMT and Rigid)), pulling wire into new or existing conduits, service panel repair or installation, floats, transducers, sonic level equipment and all related site equipment needed for proper station operation in an indoor or outdoor application.

6.5. Valves

- 6.5.1.** Adjust, maintain, troubleshoot, and repair automatic hydraulic control valves.

6.6. Special Projects/Other

- 6.6.1.** Repair low voltage control circuits of all types, including motors and motor controls, SCADA equipment, communication equipment, and pump station equipment.
- 6.6.2.** Install electrical circuit conduit and wiring in accordance with the National Electric Code (NEC).
- 6.6.3.** Repair, and troubleshoot PLCs, and VFDs, soft starts, and solenoid control valves.
- 6.6.4.** Repair, and troubleshoot instrumentation such as pressure sensors, tank level sensors, flow meters, and tank mixers.
- 6.6.5.** Install conduit and wiring. Land wiring to various different electrical components connecting to input, outputs, relays, contacts and terminations.
- 6.6.6.** Install and program Human Machine Interface (HMI) for various types of instrumentation displays.
- 6.6.7.** Report work order assignment results, including project blue-print and schematic discrepancies.
- 6.6.8.** Conduct Meggering test to various different types of electrical and mechanical equipment.
- 6.6.9.** Conduct other electrical work, tasks or projects as requested by the City.
- 6.6.10.** Provide annual electrical preventative maintenance which includes general cleaning, inspection, thermal imaging, connection re-torque, etc.
- 6.6.11.** Test and replace station main service disconnects for up to 900 Amps main breakers.
- 6.6.12.** Provide support services related to start up and inspection services.

7. SERVICE CALL AND RESPONSE TIMES

- 7.1.** Contractor shall be available at any time, twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year.
- 7.2.** Regular scheduled work assignments shall be executed during normal business hours from 7:00 AM to 5:00 PM Pacific Standard Time. Response time for regularly

scheduled work assignments or tasks shall be within three (3) working days after notification by the City.

- 7.3.** In the event of an emergency, Contractor shall respond and commence work within four (4) hours from receipt of the call. After hour emergencies that may occur at night, weekends, and holidays shall also be addressed with a response time within four (4) hours after notification by the City.
- 7.4.** It is intended that the vast majority of this work will be routine in nature and scheduled during regular business hours. However, emergency situations can occur. Failure to initiate service within the allocated response times will be grounds for cancellation of the contract, at the sole discretion of the City.
- 7.5.** Contractor agrees to provide the City with telephone numbers and addresses for key personnel, so that seven (7) day per week, twenty-four (24) hour per day contact can be made in the event of an emergency situation.

**EXHIBIT B
SCHEDULE OF FEES**

1. MAXIMUM COMPENSATION

The maximum amount payable for all materials and services provided under this Agreement shall not exceed **Three Hundred Thousand Dollars (\$300,000)** during the Initial Term of the Agreement, subject to the annual appropriation of funds. Any additional services or materials requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement.

2. RATES

Compensation shall be paid to Contractor on a time and material basis in accordance with the rates listed below.

Description	Regular Hours Monday – Friday 7:00 a.m. - 5:00 p.m.	Overtime Hours Monday – Friday after 5 p.m.	Saturday/Sunday/ Holiday
Electrician	\$145	\$160	\$189
Electrical Engineer/Foreman	\$200	\$210	\$225
Material Handler	\$55	\$80	\$90

- 2.1.** Prior to the commencement of work, Contractor shall provide City with a not to exceed estimated cost. Contractor shall notify City, with as much advanced notice as possible, if it is determined that the estimate will be exceeded.
- 2.2.** Contractor-purchased parts or materials will be based on the Contractor's price from a wholesale supply house plus a mark-up of no more than 10%. Contractor's invoices will clearly show the manufacturer's part number, description, supply house cost and percent mark-up cost. A copy of the supply house invoice shall be submitted with Contractor's invoice.
- 2.3.** Upon prior approval by the City, Contractor may rent specialty equipment for specific projects authorized under the contract. Payment shall be in accordance with the actual invoice for the rental plus the approved markup of a maximum of 10%.
- 2.4.** Hourly rates are fully loaded and include wages, overhead costs, general and administrative costs, travel, and profit. Overhead costs shall include all tools, equipment, and related items (excludes specialty equipment) that may be required to perform the work.

3. RENEWAL PERIOD COMPENSATION

After the Initial Term, the City reserves the right, at its own sole discretion, to extend the term of this Agreement for up to four (4) additional one-year terms ("Option Periods") pursuant to Section 2.B of the Agreement.

The rates set forth above in Section 2 are fixed for three years through June 30, 2024. For rates effective July 1, 2024, Contractor may request adjustments 60 days prior to the date and on each anniversary thereafter. Price adjustments will be made in accordance with the percentage change in the Consumer Price Index (CPI-U) for All Urban Consumers for the San Francisco-

Oakland-Hayward area, published by the U.S. Bureau of Labor Statistics. The price adjustment will be determined using the 12-Month Percent Change with a base period of 1982-1984=100.

4. INVOICING

- 4.1.** At the conclusion of each work, the City shall pay Contractor in arrears within thirty (30) days of a properly completed invoice in a form acceptable to the City.
- 4.2.** The invoice shall itemize the number of employees assigned to the work, the actual hours worked for each employee, the hourly rates in accordance with the rates set forth herein, and the extended cost which is the hourly labor rate times the total hours worked. Actual hours worked shall only include electrical services, and shall not include time for travel to the job-site, or any incidental time that is not directly related to the work. If any additional tools, equipment, and/or third-party services were required for the work, then supporting documentation must be provided with the invoice to document the cost to the Contractor.

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.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of two million dollars (\$2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office

endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

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. 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.

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 e-mailed to: ctsantaclara@ebix.com

Or by mail to:

EBIX Inc.
City of Santa Clara - Water & Sewer Utilities Department
P.O. Box 100085 – S2
Duluth, GA 30096
Telephone number: 951-766-2280
Fax number: 770-325-0409

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.

EXHIBIT D LABOR COMPLIANCE ADDENDUM

This Agreement is subject to the requirements of California Labor Code section 1720 *et seq.* requiring the payment of prevailing wages, the training of apprentices, and compliance with other applicable requirements.

A. Prevailing Wage Requirements

1. Contractor shall be obligated to pay not less than the General Prevailing Wage Rate, which can be found at www.dir.ca.gov and are on file with the City Clerk's office, which shall be available to any interested party upon request. Contractor is also required to have a copy of the applicable wage determination posted and/or available at each job site.
2. Specifically, contractors are reminded of the need for compliance with Labor Code Section 1774-1775 (the payment of prevailing wages and documentation of such), Section 1776 (the keeping and submission of accurate certified payrolls) and 1777.5 in the employment of apprentices on public works projects. Further, overtime must be paid for work in excess of 8 hours per day or 40 hours per week pursuant to Labor Code Section 1811-1813.
3. Special prevailing wage rates generally apply to work performed on weekends, holidays and for certain shift work. Depending on the location of the project and the amount of travel incurred by workers on the project, certain travel and subsistence payments may also be required. Contractors and subcontractors are on notice that information about such special rates, holidays, premium pay, shift work and travel and subsistence requirements can be found at www.dir.ca.gov.
4. Only bona fide apprentices actively enrolled in a California Division of Apprenticeship Standards approved program may be employed on the project as an apprentice and receive the applicable apprenticeship prevailing wage rates. Apprentices who are not properly supervised and employed in the appropriate ratio shall be paid the full journeyman wages for the classification of work performed.
5. As a condition to receiving progress payments, final payment and payment of retention on any and all projects on which the payment of prevailing wages is required, Contractor agrees to present to City, along with its request for payment, all applicable and necessary certified payrolls (for itself and all applicable subcontractors) for the time period covering such payment request. The term "certified payroll" shall include all required documentation to comply with the mandates set forth in Labor Code Section 1720 *et seq.*, as well as any additional documentation requested by the City or its designee including, but not limited to: certified payroll, fringe benefit statements and backup documentation such as monthly benefit statements, employee timecards, copies of wage statements and cancelled checks, proof of training contributions (CAC2 if applicable), and apprenticeship forms such as DAS-140 and DAS-142.

6. In addition to submitting the certified payrolls and related documentation to City, Contractor and all subcontractors shall be required to submit certified payroll and related documents electronically to the California Department of Industrial Relations. Failure to submit payrolls to the DIR when mandated by the project parameters shall also result in the withholding of progress, retention and/or final payment.
7. No contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
8. No contractor or subcontractor may be awarded a contract for public work on a public works project, unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Contractors MUST be a registered "public works contractor" with the DIR AT THE TIME OF BID. Where the prime contract is less than \$15,000 for maintenance work or less than \$25,000 for construction alternation, demolition or repair work, registration is not required.
9. All contractors/subcontractors and related construction services subject to prevailing wage, including but not limited to: trucking, surveying and inspection work must be registered with the Department of Industrial Relations as a "public works contractor". Those you fail to register and maintain their status as a public works contractor shall not be permitted to perform work on the project.
10. Should any contractor or subcontractors not be a registered public works contractor and perform work on the project, Contractor agrees to fully indemnify the City for any fines assessed by the California Department of Industrial Relations against the City for such violation, including all staff costs and attorney's fee relating to such fine.
11. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

B. Audit Rights

All records or documents required to be kept pursuant to this Agreement to verify compliance with this Addendum shall be made available for audit at no cost to City, at any time during regular business hours, upon written request by the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such records or documents shall be provided to City for audit at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records or documents shall be made available at Contractor's address indicated for receipt of notices in this Agreement.

C. Enforcement

1. City shall withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et

seq., City may continue to hold sufficient funds to cover estimated wages and penalties under the Agreement.

2. Based on State funding sources, this project may be subject to special labor compliance requirements of Proposition 84.
3. The City is not obligated to make any payment due to Contractor until Contractor has performed all of its obligations under these provisions. This provision means that City can withhold all or part of a payment to Contractor until all required documentation is submitted. Any payment by the City despite Contractor's failure to fully perform its obligations under these provisions shall not be deemed to be a waiver of any other term or condition contained in this Agreement or a waiver of the right to withhold payment for any subsequent breach of this Addendum.

City or the California Department of Industrial Relations may impose penalties upon contractors and subcontractors for failure to comply with prevailing wage requirements. These penalties are up to \$200 per day per worker for each wage violation identified; \$100 per day per worker for failure to provide the required paperwork and documentation requested within a 10-day window; and \$25 per day per worker for any overtime violation.

EXHIBIT E
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT

AGREEMENT TITLE:	
CONTRACTOR:	
DATE:	

Pursuant to Section ___ of the Agreement referenced above, the City of Santa Clara hereby exercises its option to extend the term under the following provisions:

OPTION NO.	# of #
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NEW OPTION TERM

Begin date:	
End date:	

CHANGES IN RATE OF COMPENSATION

Percentage change in CPI upon which adjustment is based:	
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Pursuant to Section ___ of the Agreement the rates of compensation are hereby adjusted as follows:
(use attachment if necessary)

MAXIMUM COMPENSATION for New Option Term:	
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For the option term exercised by this Notice, City shall pay Contractor an amount not to exceed the amount set forth above for Contractor's services and reimbursable expenses, if any. The undersigned signing on behalf of the City of Santa Clara hereby certifies that an unexpended appropriation is available for the term exercised by this Notice, and that funds are available as of the date of this signature.

Dated: _____

Approved as to Form: _____

BRIAN DOYLE
City Attorney

DEANNA J. SANTANA
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771