

**AMENDMENT NO. 2
TO THE AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
HSQ TECHNOLOGY**

PREAMBLE

This agreement ("Amendment No. 2") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and HSQ Technology, 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. The Parties previously entered into an agreement entitled "Agreement for Services between the City of Santa Clara and HSQ Technology", dated March 10, 2020 (Agreement);
- B. The Agreement was previously amended by Amendment No. 1, dated February 4, 2021, and is again amended by this Amendment No. 2. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide a turnkey upgrade of the City's existing Miser Supervisory Control and Data Acquisition Human Machine Interface software and hardware (SCADA system), and the Parties now wish to amend the Agreement to increase compensation by Seventy-Six Thousand Eight Hundred Ninety-Two Dollars and Seventy Cents (\$76,892.70) for a revised not-to-exceed maximum compensation of Five Hundred Seventy-Four Thousand Four Hundred Eighty-One Dollars (\$574,481).

NOW, THEREFORE, the Parties agree as follows:

AMENDMENT TERMS AND CONDITIONS

- 1. Section 6 of the Agreement, entitled "Compensation and Payment" is amended to read as follows:

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 Second Revised Exhibit B, entitled "COMPENSATION." The maximum compensation under this Agreement is **Five Hundred Seventy-Four Thousand Four Hundred Eighty-One Dollars (\$574,481)**, 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. Contractor shall not

be entitled to any payment above the maximum compensation under any circumstance.

2. A new Exhibit A1, entitled "Scope of Services for Field Analysis Site Survey (Phase 2A)", is attached hereto and incorporated herein.
3. First Revised Exhibit B of the Agreement as Amended, entitled "Compensation", is hereby amended to read as shown in Second Revised Exhibit B.
4. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 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"

HSQ TECHNOLOGY
a California corporation

Dated: _____

By (Signature): _____

Name: Gustavo Jimenez

Title: Director of Projects and Operations

Principal Place of Business Address: 26227 Research Road
Hayward, CA 94545

Email Address: jimenez@hsq.com

Telephone: (510) 259-1334

Fax: (510) 259-1392

"CONTRACTOR"

EXHIBIT A1
SCOPE OF SERVICES FOR FIELD ANALYSIS SITE SURVEY (PHASE 2A)

1. Introduction

- 1.1. The SCADA system monitors approximately 1,700 points over approximately 60 Remote Telemetry Units (RTUs). Under this Scope of Services, Contractor shall perform field site analysis to conduct a gathering of data for upgrading the RTUs for conversion to fiber communication. Contractor shall survey each site for necessary information in order to propose and recommend a plan to the City for upgrading current equipment at the RTU panels for fiber communication.
- 1.2. To the extent not inconsistent with this Agreement between the City and Contractor including this Scope of Services, Contractor's proposal dated April 20, 2021 (HSQ Letter No. 022: 29993) is hereby incorporated as Appendix A1-1, and shall supplement this Scope of Services and be subject to the terms and conditions of the Agreement.

2. Documentation Field Survey

Contractor shall document and survey each RTU panel site and existing equipment for the following design criteria:

- 2.1. Location of RTU Panel (Address Location)
 - 2.1.1. Address or Nearest Intersection streets
- 2.2. Site Pictures for surrounding area around RTU Panel
 - 2.2.1. Areas (Top/Bottom/Left/Right)
 - 2.2.2. Note Available Dimensions for each open area
- 2.3. External Picture of RTU
- 2.4. Internal Close-up of Internal RTU panel / Back Pan Layout
 - 2.4.1. Overview
 - 2.4.2. RTU Controller & process/equipment controller
- 2.5. Dimensional Size of Enclosure (MFG /Part NO. Size)
- 2.6. Dimensional Size of Back Panel and Mounting Hole Locations
- 2.7. Document RTU Labeling (Photo and Document)
 - 2.7.1. RTU # 2500 Series Version
 - 2.7.2. RTU ID #

- 2.7.3. CPU Series label (Example 2504-001 D)
 - 2.7.4. EEPROM Label (Software version)
 - 2.8. Document Local and Expansion Buss I/O Boards
 - 2.8.1. HSQ part no. and Version
 - 2.8.2. Dip Switch Setting (Picture or document ON-OFF positions)
 - 2.9. Document Batteries
 - 2.9.1. (MFG /Part NO. Size)
 - 2.10. Location of Incoming Field Wiring (Dimensioned)
 - 2.10.1. I/O Wiring Count (DI/DO/ AI/AO)
 - 2.11. Radio Model No.
 - 2.12. Location of Incoming Radio Cable (Dimensioned for internal cable length)
 - 2.12.1. Radio Cable Part #
 - 2.12.2. Check Cable / Surge Arrestor / Connectors for wear and aging
 - 2.13. Document and Picture for Antenna Installation
 - 2.13.1. Take Photos, Pole, Antenna
 - 2.13.2. Document / Confirm approximate Antenna height
 - 2.13.3. Document approximate Cable distance from top of Antenna to Panel,

3. Report Analysis and Documentation

Utilizing the data from the field survey, Contractor shall compile a comprehensive report for the recommended upgrade for all sites. The RTU Upgrade Analysis Report shall include the following information:

- 3.1. Assessment of existing RTU conditions
- 3.2. Recommendation for Upgrading Remote Telemetry Unit (RTU) for communication over both Fiber and Radio application.
- 3.3. Fiber termination location and requirements for each site
- 3.4. Upgrade analysis for pilot sites and remaining sites
- 3.5. Cost estimate to upgrade each site, including cost breakout for the three pilot sites (Well 10, Well 24, and Downtown Tank). Estimates must include line item costs broken out into labor and materials. Equipment cost must be included in the material

column.

- 3.6. Other recommended improvements to ensure the SCADA system's return on investment

4. Design Criteria

Confirmation from City that fiber shall be the primary form of communication and radio shall be a backup in the event fiber communication is not available. Configuration of fiber design will also need to be coordinated to ensure RTU sites communicate on the City's proposed fiber ring design.

5. Field Resources

Contractor shall deploy one (1) field engineer for this field effort. The City will provide one (1) City personnel to escort Contractor's field engineer and to give access to RTU panel locations. This will maximize the field effort to provide the necessary data for compiling the upgrade analysis report. Field start and end times shall be between 7 AM – 4 PM (PST). This daily work time duration shall be flexible to accommodate City's time and availability.

6. Exclusion

There are no material purchases for the work under this Scope of Services. Sales tax is not applicable.

7. Project Duration

The following represents the estimated amount of time to complete the services.

Deliverables	Estimated Time
Field Site Analysis	2 – 3 weeks
RTU Upgrade Analysis Report	6 – 8 weeks

City and Contractor shall work to address any impacts and/or delays to the estimated schedule.

8. Compensation

Contractor shall provide the work specified herein on a fixed fee basis as specified in Second Revised Exhibit B.

The City will pay upon completion of each of the deliverables set forth in Section 7 above.

**SECOND REVISED EXHIBIT B
COMPENSATION**

1. MAXIMUM COMPENSATION

The maximum amount payable for all materials and services provided under this Agreement shall not exceed **Five Hundred Seventy-Four Thousand Four Hundred Eighty-One Dollars (\$574,481)** during the term of the Agreement. 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. No additional services will be performed unless both Parties execute an Amendment outlining the services requested and the compensation agreed for such services.

2. PROGRESS PAYMENT SCHEDULE

- 2.1. Contractor shall provide all equipment, materials, and labor as specified in Exhibit A on a firm fixed cost basis.
- 2.2. Progress payments shall be made to Contractor by City following acceptance of designated milestones as shown in Table B-1.

Table B-1: Payment Schedule

Milestone/Deliverable	% of Total	Amount
Project Plan	15%	\$67,852
Project Procurement	30%	\$135,706
Estimated Sales Tax (to be paid in accordance with applicable milestone for which sales tax is due)	5%	\$22,482
Documentation	1%	\$5,021
Factory Acceptance Test	14%	\$63,000
Shipment to Site	14%	\$63,000
System Commissioning	5%	\$23,276
Training	1%	\$6,333
Final System Acceptance*	15%	\$65,683
TOTAL	100%	\$452,353

*The signed Final Acceptance Certificate (Appendix A-2) triggers final payment and start of warranty period.

- 2.3. All payments are based upon City's acceptance of Contractor's performance as evidenced by successful completion of all of the deliverables as set forth for each milestone. City shall have no obligation to pay unless Contractor has successfully completed, and City has approved, the milestone for which payment is due.
- 2.4. Payment for any part or parts of the System provided hereunder, or inspection or testing thereof by City, shall not constitute acceptance or relieve Contractor of its obligations under this Agreement. City may inspect the components of the System when delivered and reject upon notification to Contractor any and all components of the System, which do not conform to the specifications or other requirements of this Agreement. Components of the System that are rejected shall be promptly corrected, repaired, or replaced by Contractor. If City receives components of the System with

defects or nonconformities not reasonably apparent on inspection, then City reserves the right to require prompt correction, repair, or replacement by Contractor in accordance with Contractor's warranty obligations.

3. ADDITIONAL WORK

- 3.1. In the event that any work is identified during the course of the Project that the Parties agree is necessary to complete the Scope of Services but nevertheless is outside the scope of this agreement, City and Contractor shall negotiate a price for such work. Additional work may be negotiated on a lump sum basis in accordance with the rates set forth in Table B-3 below. City and Contractor will execute an Amendment to the Agreement outlining the additional work and/or services.

Table B-3: Additional Work

Description	Rate
Project Management	\$300 per hour
Senior Engineer	\$250 per hour
Engineer	\$200 per hour

- 3.2. Pursuant to Amendment No. 1, the City has set aside the maximum amount of Forty-Five Thousand Two Hundred Thirty-Five Dollars and Thirty Cents (\$45,235.30) for the payment of the following additional materials and services:

Table B-4: Additional Products and Services

Description	Amount
Upgrade remaining screens to current graphic symbols and layout (pursuant to Contractor's Quotation No. COR-007A/Letter No. 018, attached hereto as Appendix B-1)	\$41,231.30
Historian system Backup (300GB HD) at Server B (pursuant to Contractor's Quotation No. COR-008/Letter No. 016, attached hereto as Appendix B-2)	\$4,004.00
Total (Amendment No. 1)	\$45,235.30

- 3.3. Pursuant to Amendment No. 2, the City has set aside the following amounts for Contractor to perform the additional work described in Exhibit A1:

Table B-5: Field Analysis Site Survey (Phase 2A)

Description	Amount
Additional work on a fixed fee basis, as set forth in Exhibit A1	\$69,902.00
Payment Schedule: <ul style="list-style-type: none"> - 35% upon completion of field site analysis - 65% upon delivery of RTU Upgrade Analysis Report 	
Contingency	\$6,990.70
Total (Amendment No. 2)	\$76,892.70

4. INVOICING

City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.