

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
GE VERNOVA INTERNATIONAL LLC**

PREAMBLE

This Agreement is made and entered into on the date last signed by the Parties (“Effective Date”) between the City of Santa Clara, California, a chartered California municipal corporation (City) and GE Vernova International LLC, a Delaware limited liability company (Contractor). City and Contractor may be referred to individually as a “Party” or collectively as the “Parties.”

RECITALS

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

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and conditions herein contained, the Parties hereto agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

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

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees and Payment Provisions

Exhibit C – Insurance Requirements

Exhibit D – Labor Compliance

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 written amendment to this Agreement, the term of this Agreement shall begin on **September 1, 2026** and terminate on **September 30, 2031** ("Initial Term").
- B.** After the Initial Term, City and Contractor reserve the right, to extend the term of this Agreement for up to five (5) years through **September 30, 2036** ("Option Periods") in such increments as determined by both parties. The Option Periods shall be authorized through an Amendment to this Agreement executed by the Parties. The Initial Term and Option Periods shall collectively be referred to as "Term".

3. SCOPE OF SERVICES AND PERFORMANCE SCHEDULE

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

4. WARRANTY

The warranty provisions are contained in Sections 9 and 11 of Exhibit A.

5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE

- A.** Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services, including its duties and obligations, expressed and implied, contained herein. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. City expressly relies upon Contractor's representations regarding its skills and knowledge.
- B.** Contractor warrants that all employees and subcontractor, if any, shall have sufficient skill and experience to perform the Services assigned to them.
- C.** Contractor shall comply with all applicable federal, state and local laws in the performance of the Services; including but not limited to those of the Occupational Safety and Health Administration (OSHA) and the California Department of Industrial Relations and State Division of Industrial Safety

and the professional standard of care. Where any applicable laws or ordinances conflict with the City's requirements, the more stringent requirement(s) shall be followed.

- D. Contractor represents and warrants to the City that it has, shall obtain, and shall keep in full force in effect during the Term hereof, at its sole cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that is legally required of Contractor to practice its profession and to perform Services.

6. COMPENSATION AND PAYMENT

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all Services rendered and material provided by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES AND PAYMENT PROVISIONS." The maximum compensation of this Agreement is **Ten Million Dollars (\$10,000,000)**, 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 including any taxes. All Services performed or supplies, materials and equipment provided in excess of the maximum compensation shall be at Contractor's expense. Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

The City shall pay Contractor within forty-five (45) days from the invoice date for undisputed amounts. Contractor shall issue invoices no earlier than upon shipment of parts and materials and as Services are performed.

7. TERMINATION

- A. Termination for Default: The City may terminate the Agreement for cause if Contractor (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, (ii) has any such petition filed or commenced against it which remains unstayed or undismissed for a period of ninety (90) days, (iii) makes an assignment or any general arrangement for the benefit of creditors, or (iv) otherwise becomes insolvent (however evidenced) or bankrupt, or (ii) commits a material breach of the Contract which does not otherwise have a specified contractual remedy, provided that: (a) the City shall first provide Contractor with detailed written notice of the breach and of City's intention to terminate the Contract, and (b) Contractor shall have failed, within thirty (30) days after receipt of the notice, to cure of the breach.
- B. If The City terminates the Contract pursuant to Section 7.A (i) Contractor shall reimburse the City the difference between that portion of the applicable paid purchase order amount allocable to the terminated scope and the

actual amounts reasonably incurred by the City to complete that scope, and (ii) the City shall pay to Contractor (a) the portion of the purchase order price allocable to the Services satisfactorily completed, (b) lease fees incurred, except to the extent that such fees were not approved in advance or incurred to Services not satisfactorily performed,. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Agreement or purchase order (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Contractor's then-current standard time and material rates; provided, that no payment shall be due for Services which are not satisfactorily performed.

- C.** Contractor may suspend or terminate the Agreement (immediately for cause if the City (i) becomes Insolvent/Bankrupt, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in the City making any payment when due, or fulfilling any payment conditions provided that: (a) the Contractor shall first provide City with detailed written notice of the breach and of City's intention to terminate the Contract, and (b) Contractor shall have failed, within thirty (30) days after receipt of the notice, to cure of the breach.
- D.** Termination for Convenience: Either Party may terminate this Agreement upon thirty (30) days written notice to the other Party, except that Contractor shall not terminate a Purchase Order for convenience or this Agreement if there are any unfinished Purchase Order Services. If the Agreement is terminated for any reason other than Contractor's default under Section 7.A, The City shall pay Contractor for all Products completed, lease fees incurred and Services performed before the effective date of termination, plus reasonable mobilization costs. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Contractor's then-current standard time and material rates. All work in progress shall be paid for at Contractor's standard time and material rates.
- E.** Either the City or Contractor may terminate the Agreement upon twenty (20) days advance notice if there is an excusable event lasting longer than one hundred and twenty (120) days or if it is not possible to avoid or mitigate such excusable event without unreasonable burden through an adjustment in schedule, price and other provisions of the Contract within such one hundred and twenty (120) days. In the event of termination under this section, City shall be Contractor for any Services performed prior to the termination. Contractor shall reimburse all unearned fees to the City.

- F. The City shall pay all reasonable expenses incurred by Contractor in connection with a suspension, including expenses for repossession, fee collection, demobilization/remobilization, and costs of storage during suspension. The schedule for Contractor's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

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 to perform the Services . 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 directly employed by them, as Contractor is for the acts attributable and omissions of persons directly employed by it in the performance of the Agreement.

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, except as provided in Section [insert section] and No Nuclear Use.

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.

Contractor shall include language in subcontracts that Subcontractors who perform Services, as applicable, are independent contractors and are not employees of the City or Contractor. are not employees of the City. and such persons are required to immediately report to Contractor any and all instances of any of the following, if they occur during the time the persons provide labor and or materials to City: (a) The way a person supplies labor and or materials to City is supervised by City or City's designee; (b) The person is informed they should follow instructions given by City concerning how the person's labor and material are to be provided; (c) The person is informed they should give City access to on-going review of the person's labor and or materials; (d) The person is informed by City they should participate or attend training; (e) The person is unavailable to promote or otherwise make their labor and or materials available to the general public as a result of the provision of labor and materials to City; (f) The person is informed they are City's employee; or (g) The person forms a belief or opinion they are City's employee.

10. CONFIDENTIALITY OF MATERIAL

- A.** "Confidential Information" means, with respect to a Party hereto, all information or material which either (1) is marked or identified as "Confidential," "Restricted," or "Proprietary Information" or other similar marking or identification, or (2) the other Party knew, as recipient, or under the circumstances, should have known, was considered confidential or proprietary by the Disclosing Party (as defined below),... Confidential Information shall consist of all information, whether in written, oral, electronic, or other form, furnished in connection with this Agreement by the Disclosing Party or its Representatives ("Representative" is defined as any elected and appointed officials, affiliate, director, officer, employee, agent, advisor or Contractor of a Party or any of its subsidiaries or affiliates) to the Receiving Party (as defined below) or to its Representatives, and specifically includes but is not limited to the City's individually identifiable customer information, and the City's customer usage data and financial data.
- B.** Contractor and the City shall each hold the other's Confidential Information in confidence. Neither Party shall make the other's Confidential Information available in any form to any third party or use the other's Confidential Information for any purpose other than as specified in this Agreement. The Party providing Confidential Information ("Disclosing Party") to the other Party ("Receiving Party") shall remain the sole owner of such information. Except as provided elsewhere within this Agreement, nothing contained in this Agreement shall be construed as granting or conferring any right or license in any Confidential Information or in any patents, copyrights, software or other technology, either expressly or by implication to the Receiving Party, or to its Representatives or to others. The term Confidential Information shall not include any of the following: (1) information already in possession of, or already known to, the Receiving Party as of the Effective Date without an obligation of confidentiality; (2) information in the public domain at the time of the disclosure, or which, after such disclosure, enters into the public domain through no breach of this Agreement by the Receiving Party or its Representative(s); (3) information lawfully furnished or disclosed to the Receiving Party by a non-party to this Agreement without any obligation of confidentiality and through no breach of this Agreement by the Receiving Party or its Representative(s); (4) information independently developed by the Receiving Party without use of any Confidential Information of the Disclosing Party; or (5) information authorized in writing by the Disclosing Party to be released from the confidentiality obligations herein; or (6) this Agreement and Contractor's proposals and purchase orders.
- C.** By virtue of this Agreement, each Party hereto may disclose to the other Party information that is Confidential Information. This Agreement does not diminish, revoke or supersede any existing confidentiality, non-disclosure

or similar agreement between the Parties that does not pertain to the subject matter of this Agreement. However, any Confidential Information, whether or not previously disclosed, that pertains to the subject matter of this Agreement shall be governed by the terms of this Section 11 which shall supersede any such previous agreement with respect to such Confidential Information and any Confidential Information relating to the subject matter of this Agreement that was exchanged under such previous agreement shall be treated as though it was exchanged under this Agreement as of the date of such exchange.

- D.** The Receiving Party will treat all Confidential Information of the Disclosing Party, no matter written, electronic, or oral, as confidential and proprietary, and the Receiving Party shall only use such information in furtherance of this Agreement. As such, the Receiving Party shall hold in confidence the Confidential Information of the Disclosing Party and ensure that such Confidential Information is not disclosed to any other person or entity, except as expressly permitted by this Agreement or as authorized in writing by the Disclosing Party. The Receiving Party shall not disclose Confidential Information of the Disclosing Party received under this Agreement to any person other than its Representatives who require knowledge of such Confidential Information in furtherance of this Agreement. The Receiving Party shall inform its Representatives of the confidential nature of the Confidential Information of the Disclosing Party and advise such Representatives of the limitations on the use and disclosure and prohibition on making copies or summaries of such Confidential Information. The Receiving Party shall be responsible for any breach of this Agreement by its Representatives. Neither Party shall use the Confidential Information of the other Party for any commercial purpose.
- E.** If the Receiving Party becomes legally compelled by law or valid legal process (by oral questions, interrogatories, request for information or documents, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information of the Disclosing Party in response to such requirements or process or is requested Confidential Information pursuant to the California Public Records Act or similar law, the Receiving Party will provide the Disclosing Party with written notice of such an occurrence (if so permitted) as soon as possible in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of Confidential Information. Thereafter, at its sole costs and expense, the Disclosing Party may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Agreement. If the disclosing Party (i) waives compliance, (ii) fails to respond to the Receiving Party within five (5) business days, or (iii) after providing the notice and assistance required under this Section, the Receiving Party remains required by law to disclose any Confidential Information, the Receiving Party shall disclose only that portion of the Confidential Information that the Receiving Party is legally required to disclose. So long

as it is consistent with applicable law, the Receiving Party will not oppose action by, and the Receiving Party will cooperate with, the Disclosing Party, at the Disclosing Party's sole cost and expense, to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information. If the Disclosing Party fails to obtain such protective order or other remedy, the Receiving Party will disclose only that Confidential Information that it is legally required to disclose, and will exercise commercially reasonable efforts, at Disclosing Party's expense, to obtain reliable assurance that confidential treatment will be accorded the Confidential Information so disclosed.

- F.** In the event the Receiving Party discloses, disseminates or releases any Confidential Information, except as expressly permitted by this Agreement, such disclosure, dissemination or release will be deemed a material breach of this Agreement and the Disclosing Party may demand prompt return of all Confidential Information previously provided to the Receiving Party. As soon as the Receiving Party becomes aware that it has made an unauthorized disclosure of Confidential Information, the Receiving Party shall take any and all necessary actions to recover the improperly disclosed Confidential Information and immediately notify Disclosing Party regarding the nature of the unauthorized disclosure and the corrective measures being taken.
- G.** Within two (2) weeks of the termination of this Agreement, either Party will return to the other Party or destroy, to the extent permitted by law, any and all Confidential Information, including all originals, copies, translations, transcriptions or any other form of material, without retaining any copy or duplicate thereof; provided that Contractor may retain Confidential Information contained on backup media created in the ordinary course of business provided further that there is no effort to access such Confidential Information and Contractor's confidential obligations with respect to such information shall continue so long as such information is retained. Contractor shall certify in writing the destruction of the Confidential Information. The City may perform an audit of Contractor's records to confirm the return or destruction of the Confidential Information. The City shall have this audit right for two (2) years after the termination of this Agreement.
- H.** Notwithstanding the termination of this Agreement, this Confidentiality Section shall survive the expiration or earlier termination of this Agreement.
- I.** Each Disclosing Party warrants that it has the right to disclose the information that it discloses. As to any individual item of Confidential Information, the restrictions under this Article 11 shall expire five (5) years after the date of disclosure. Trade secrets that are contained in or comprise Confidential Information are to be protected for the life of the trade secret.

11. OWNERSHIP OF MATERIAL

- A.** City shall furnish to Contractor such documents and materials as may be relevant and pertinent to the provision of Services hereunder as City may possess or acquire.
- B.** Subject to the limitations set forth below, all non-confidential documents or material prepared or caused to be prepared by Contractor, its officers, employees, agents and subcontractors, in the course of implementing this Agreement, shall be considered works made for hire and shall become the exclusive property of the City, and City shall have the sole right to use such documents and materials without restriction or limitation on their use in City's discretion without further compensation to Contractor or any other party. Documents and material prepared by Contractor, pursuant to this Agreement, are not intended or represented to be suitable for reuse by City or others on any other project. Any use of completed documents for other projects and any use of incomplete documents without specific written authorization from Contractor will be at City's sole risk and without liability to Contractor. Further, any and all liability arising out of changes made to Contractor's deliverables under this Agreement by City or persons other than Contractor, is waived against Contractor and City assumes full responsibility for such changes unless City has given Contractor prior notice and has received from Contractor written consent for such change.
- C.** Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the execution of the Agreement. Contractor reserves all rights in and to software not expressly granted to the City. All new intellectual property conceived or created by Contractor in the performance of this Agreement, whether alone or with any contribution from City, shall be owned exclusively by Contractor. City agrees to deliver assignment documentation as necessary to achieve that result.
- D.** City will not itself, and will not allow any party (including City Affiliates) to: (i) reverse engineer products or Services (including any Contractor monitoring or data analysis by Contractor), (ii) prepare derivative works from, alter, modify, disassemble, reverse engineer, reverse assemble, de-compile, or otherwise attempt to reconstruct, discover or derive the object or source code of any software licensed to City by Contractor under this Contract (including any third party software); (iii) permit or otherwise grant any third party access to products, Services or software for such purpose, even if such third party is performing any corrections, bug fixes and updates.
- E.** Products furnished by Contractor under this Contract shall not be installed, used, or made available for use in any equipment other than the equipment specified in the Agreement or purchase order, that is to the extent a City is specified. To the extent applicable, City warrants that such equipment, and the , is under its ownership and control of the City, and agrees to inform

Contractor forthwith should this cease to be the case at any time before expiry of the applicable warranty period.

12. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR

- A.** Contractor shall keep records and invoices in connection with the Services for the length of the Audit Period. 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.
- B.** Contractor shall use recognized accounting methods in preparing reports and invoices submitted to the City in connection with the Services. City reserves the right to designate its own employee representative(s) or its contracted representative(s) with a certified public accounting firm who shall have the right to audit (1) the accuracy of any payments, excluding the fixed price payments, made to Contractor, (2) any amounts invoiced by Contractor to the City on a time and material rates basis including, without limitation, any travel per diem and other travel-related expenses and (3) to examine and verify the following: (a) time sheets reflecting labor used in connection with Contractor's performance of the Services under this Contract and (b) invoice records of parts purchased from Contractor's subcontractors or third party subcontractors Any such audit(s) shall be undertaken by City or its representative(s) in conformance with generally accepted auditing standards at its own expenses and with prior notice to Contractor. All audits will be conducted during Contractor's normal business hours at a mutually agreed upon time and location. Contractor agrees to fully cooperate with any such audit(s).
- C.** Contractor will be notified in writing of any exception taken as a result of an audit. Any adjustments and/or payments which must be made as a result of any such audit or inspection of Contractor's invoices and/or records shall be made within thirty (30) days from presentation of City's findings to Contractor. If Contractor fails to make such payment, Contractor agrees to pay interest, accruing monthly, at a rate of ten percent (10%) per annum unless another section of this Agreement specifies a higher rate of interest, then the higher rate will prevail. Interest will be computed from the date of written notification of exception(s) to the date Contractor reimburses City for any exception(s).
- D.** 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 the Services.

13. INDEMNIFICATION

- A.** EACH OF THE CITY AND CONTRACTOR (AS AN "INDEMNIFYING PARTY") SHALL INDEMNIFY THE OTHER PARTY (AS AN "INDEMNIFIED PARTY") FROM AND AGAINST CLAIMS BROUGHT BY A THIRD PARTY, ON ACCOUNT OF PERSONAL INJURY OR DAMAGE TO THE THIRD PARTY'S TANGIBLE PROPERTY, TO THE EXTENT CAUSED BY THE NEGLIGENCE OF THE INDEMNIFYING PARTY IN CONNECTION WITH THIS AGREEMENT. IN THE EVENT THE INJURY OR DAMAGE IS CAUSED BY JOINT OR CONCURRENT NEGLIGENCE OF THE CITY AND CONTRACTOR, THE LOSS OR EXPENSE SHALL BE BORNE BY EACH PARTY IN PROPORTION TO ITS DEGREE OF NEGLIGENCE. FOR PURPOSES OF CONTRACTOR'S INDEMNITY OBLIGATION, NO PART OF THE PRODUCTS OR SITE IS CONSIDERED THIRD PARTY PROPERTY.
- B.** For any indemnification under this Agreement, the Party to be indemnified: (a) will promptly notify the other Party of the receipt of any claim for which the other Party has an indemnity obligation, (b) will give the Indemnifying Party such information and assistance as reasonably requested by the indemnifying Party; and (c) the indemnified Party will be entitled to obtain counsel at its own expense and assist in the handling of any such claim.
- C.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE TOTAL LIABILITY OF CONTRACTOR FOR ALL CLAIMS ARISING FROM OR RELATED TO THE FORMATION, PERFORMANCE OR BREACH OF THIS CONTRACT, OR PROVISION OF ANY WORK, SHALL NOT EXCEED THE MAXIMUM COMPENSATION AMOUNT IN SECTION 6. NOTWITHSTANDING THE FOREGOING, THE FOREGOING LIABILITY LIMITATION SHALL NOT APPLY IN CASES OF EMPLOYMENT-RELATED CLAIMS, PERSONAL INJURY TO A THIRD PARTY OR DAMAGE TO PROPERTY OF A THIRD PARTY.
- D.** NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR PUNITIVE DAMAGES, LOSS OF PROFIT OR REVENUES, LOSS OF USE OF EQUIPMENT OR SYSTEMS, INTERRUPTION OF BUSINESS, COST OF REPLACEMENT POWER, COST OF CAPITAL, DOWNTIME COSTS, INCREASED OPERATING COSTS, CLAIMS OF CITY'S CUSTOMERS FOR ANY OF THE FOREGOING TYPES OF DAMAGES, OR FOR ANY COST, LOSS OR LIABILITY CITY MAY SUFFER UNDER ANY AGREEMENT BY WHICH IT SELLS OR TRANSMITS ELECTRICITY TO ITS CUSTOMER(S) OR THIRD PARTIES.
- E.** CONTRACTOR SHALL NOT BE LIABLE FOR ADVICE OR ASSISTANCE THAT IS NOT REQUIRED FOR THE WORK SCOPE UNDER THIS CONTRACT.

- F.** THE LIMITATIONS, WAIVERS, AND INDEMNITIES IN THIS SECTION 13 SHALL APPLY REGARDLESS OF WHETHER A CLAIM IS BASED IN CONTRACT, NEGLIGENCE, STATUTE, INDEMNITY, TORTIOUS/EXTRA-CONTRACTUAL LIABILITY THEORY, STRICT LIABILITY OR OTHERWISE.

14. INSURANCE REQUIREMENTS

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

15. 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.

16. NOTICES

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

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

And to Contractor addressed as follows:

GE Vernova International, LLC
58 Charles Street
Cambridge, MA 02141
and by e-mail at james.canon@gevernova.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.

17. 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>).

18. 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.

19. 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.

20. 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.

21. 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.

22. 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.

23. AMENDMENTS

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

24. 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.

25. PREVAILING WAGE

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

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

[SIGNATURES ON NEXT PAGE]

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

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

GLEN R. GOOGINS
City Attorney

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

"CITY"

GE VERNOVA INTERNATIONAL LLC
Delaware corporation

Dated: _____

By (Signature): _____

Name: Olivier Queue

Title: Global Commercial Executive

Principal Place of
Business Address: 15415 Jacintoport Blvd, Houston, TX 77015

Email Address: Olivier.queue@gevernova.com

Telephone: (253) 468-4877

"CONTRACTOR"

EXHIBIT A
SCOPE OF SERVICES

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SECTION 1. GENERAL

- 1.1** Contractor shall provide all necessary supervision, labor, tools, equipment, materials, and supplies required to perform Field and Depot Services, including Parts and Repairs, for Gas Turbine Engines (“Services”) at the Donald Von Raesfeld (DVR) Power Plant for Silicon Valley Electric, the Electric Utility of the City of Santa Clara (hereinafter “City” or “SVP”).
- 1.2** Contractor shall perform the Services in accordance with generally accepted industry best practices and the original equipment manufacturer (OEM) specifications. Any deviations from OEM specifications must be approved in writing by City.
- 1.3** Contractor will primarily perform Services in City of Santa Clara limits and Contractor’s facilities in Houston, TX and Bakersfield, CA.
- 1.4** Contractor will primarily perform Services on SVP’s General Electric or GE Vernova (GE) LM6000PC gas turbine engines, either onsite at the DVR Power Plant within the City of Santa Clara or at Contractor’s depot facility.

SECTION 2. SERVICES TO BE PERFORMED

- 2.1 Field Support Services** – Services might consist of the following types of scopes to be defined in Contractor’s Proposal:
 - 2.1.1** Provide scheduled maintenance activities including, but not limited to:
 - 2.1.1.1** Semi-annual routine inspections
 - 2.1.1.1.1** Conduct approximately every 4,000 operating hours or based on engine condition determined by semi-annual inspections
 - 2.1.1.1.2** Perform borescope examination, visual inspection, full system checks, and calibration of critical components to ensure reliable performance
 - 2.1.1.1.3** Review borescope results and plan for next borescope or any required maintenance.
 - 2.1.1.2** Hot section rotatable exchange services
 - 2.1.1.2.1** Perform onsite during a planned outage every 14,000 – 16,000 hours of gas fuel operation or based on engine condition determined by semi-annual inspections

- 2.1.1.2.2 Replace the hot section components with refurbished or new portable parts to maintain efficiency and reduce downtime
 - 2.1.1.3 Overhaul major gas turbine engine
 - 2.1.1.3.1 Perform complete overhauls approximately every 50,000 hours or based on engine condition determined by semi-annual inspections at an overhaul depot.
 - 2.1.1.3.2 Conduct complete disassembly and detailed engine inspections
 - 2.1.1.3.3 Reassemble using a combination of new, refurbished, and serviceable components
 - 2.1.1.3.4 Perform testing in a controlled test cell environment and post-overhaul function checks
 - 2.1.2 Provide on-site services, including but not limited to:
 - 2.1.2.1 Review latest recommendations, improvements, and technical information letters and recommend which should be implemented
 - 2.1.2.2 Perform a full borescope inspection, package inspection, controls inspections and calibrations as needed
 - 2.1.2.3 Implementation of product bulletins, service bulletins, and other OEM recommendations
 - 2.1.2.4 Perform preventive and corrective maintenance and inspections perform on the exterior of installed gas turbine
 - 2.1.2.5 Remove and install gas turbines
 - 2.1.2.6 Separation of generator and power turbine
 - 2.1.2.7 Turbine preservation and shipping
 - 2.1.2.8 Quarterly, semi-annual, annual and controls inspections
 - 2.1.2.9 Verify full alignments
 - 2.1.2.10 Troubleshoot all aspects of package and engine problems

2.3.4 Provide rental of temporary engines and related equipment as needed to support engine functionality during maintenance and repairs

2.3.5 Provide miscellaneous field support and depot services

SECTION 3. SPECIFIC REQUIREMENTS

3.1 Contractor shall be responsible for providing the following, as required for the Services:

3.1.1 Supervision and administrative support

3.1.2 Program and project management services

3.1.3 Scheduling and logistical planning

3.1.4 Subcontractor management

3.1.5 Expedited procurement and transportation of materials, parts, and equipment as mutually agreed by the Parties.

SECTION 4. REPORTS

4.1 Service Reports

4.1.1 For Field Services, approximately seven (7) days after completion of Services, Contractor shall provide a report to the City, which shall include the following information. Depot Services reports shall be submitted within thirty (30) days following return shipment of the applicable equipment:

4.1.1.1 Description of the Services performed

4.1.1.2 Summary of existing conditions

4.1.1.3 Description of noted issues/deficiencies (including photos, where applicable) and recommended corrective action

4.1.1.4 Summary of parts and materials provided by Contractor, including serial number of all parts removed and installed

4.1.1.5 Any information that may be requested by the City

4.1.2 For Borescope service finding reports, Contractor shall communicate to the City as follows:

4.1.2.1 Verbally on the same day or within 12 hours

4.1.2.2 Within 24 hours, send an email with photos, location, dimensions, and other information describing the finding.

- 4.1.2.3** Within 72 hours, send photos, location, dimensions, measurements and engineering disposition.
- 4.1.2.4** Within 7 calendar days, send a full report in electronic format (e.g., PDF, Word).

4.2 Status Reports

- 4.2.1** Contractor shall provide regular cost, schedule, and status updates on Services performed throughout the Term, as requested by City.
- 4.2.2** Contractor may be required to provide status updates daily , weekly, or monthly at the direction of City.
 - 4.2.2.1** For field services, the Contractor shall provide daily reports via email summarizing the completed activities, personnel on site, findings, issues identified, and planned next steps. Reports shall be submitted at the end of each workday or before commencement of the subsequent shift.
 - 4.2.2.2** For depot services, the Contractor shall provide monthly progress reports, via email summarizing completed tasks, findings, current status, and planned next steps.

- 4.3** Contractor shall provide all reports in electronic format and hard copy if requested by the City.

SECTION 5. COMPLETION OF SERVICES

Contractor shall perform and complete the Services in a timely, efficient manner, Contractor shall also (1) ensure the site conditions within Contractor's scope (i.e., areas where Contractor was responsible for the work) are restored to their condition at the issuance of the applicable Purchase Order, and (2) equipment and/or system is operational as soon as possible.

SECTION 6. SCHEDULING AND PLANNING

- 6.1** Contractor shall coordinate with City to schedule the performance of Services including, if applicable, scheduling outages. When requested by City, Contractor shall plan, staff and execute scheduled Services with thirty (30) days advance notice, subject to the availability of required personnel, parts and subcontracted services. Contractor does not guarantee availability to support unplanned or emergency work.
- 6.2** Contractor will generally perform the Services during the City's regular business hours, Monday through Friday, excluding City holidays, unless otherwise approved by the City in writing..

6.3 Contractor shall be available to provide 24-hour emergency services, seven (7) days per week, 365 days per year. Contractor shall provide an emergency contact phone number at which an individual can be reached at any time. Contractor shall respond via phone or email to an emergency request within 24 hours of the City's notification. Contractor and City shall mutually agree on scheduling the required emergency service.

6.3.1 Contractor shall provide a response and an action plan within 48 hours of notification to perform the Services assuming personnel are available to provide this response..

6.3.2 Should Contractor agree to provide services, Contractor shall repair the affected equipment or resolve the emergency within two (2) business days...

SECTION 7. SERVICE REQUEST

7.1 Contractor acknowledges that Contractor is one of multiple firms selected to perform the Services pursuant to separate agreements. The City will award and authorize specific Services as set forth in this Section 7. The City does not guarantee that any specific service will be authorized under this Agreement. This Section 7 contains the process for awarding Services under this Agreement.

7.2 When the City requires services, City will notify contractor(s) under contract to provide a written proposal. City will provide a description of the Services required and any other pertinent information (Work Request). Contractor shall prepare and submit a written proposal (Proposal). Contractor's Proposal must include all information requested by the City in its Work Request, including, (as applicable) the proposed scope of services, the expected deliverables, proposed project timeline, assigned personnel, and costs including hourly rates by position, equipment, materials, and reimbursable expenses, in accordance with Exhibit B.

7.3 The City will review the Proposal, and may elect to approve it, reject it, or use it as a basis for further negotiations with Contractor, including negotiate the scope, schedule, staffing, and pricing.

7.4 Authorization of Work; Issuance of Purchase Order

7.4.1 If there are multiple firms, the City will select a Contractor Proposal based on evaluation/award criteria established by the City. If City accepts Contractor's proposal, the City shall issue a Purchase Order. The Purchase Order shall at a minimum identify the specific scope of services, the proposal total dollar amount, and such other information the City and Contractor may require.

7.4.2 Each Purchase Order shall incorporate, as applicable, the Proposal approved by the City.

7.4.3 Contractor shall have seven (7) calendar days from the date of the City's issuance of the Purchase Order in which to respond in writing if Contractor elects not to perform the Services. If Contractor (a) agrees in writing to perform the Services, (b) begins performance of the Services, or (c) fail to respond within the seven-day period, then Contractor will be deemed to have accepted the Purchase Order and in such case the Purchase Order shall be incorporated into this Agreement. The Purchase Order shall be included within the Services.

7.5 Additional Services or Modifications

7.5.1 Contractor shall promptly notify the City when a situation occurs that may result in a change to an approved Purchase Order, including the need for additional work or modifications to the Services approved under the Purchase Order. Contractor shall provide the reason for the change specific to each Purchase Order. Contractor shall submit an updated Proposal to the City for review and approval by the City in advance of performing any additional work or services. For such changes, Contractor shall submit justification demonstrating that changes in cost are associated with changes in scope.

7.5.2 If the City determines that the change is within the general scope and intent of the original Purchase Order, the City may approve the modification and issue an amended Purchase Order authorizing the additional or revised Services. Any such amended Purchase Order shall be incorporated into the Agreement and any work described therein shall be included within the Services.

7.5.3 If the City determines that the proposed change materially alters the scope or falls outside the intent of the original Purchase Order, the City will issue a new Work Request pursuant to Section 7.2.

7.5.4 Contractor shall not be entitled to additional compensation for issues such as errors in calculation of original pricing, changes in staff, or other changes that are not directly related to changes requested by City.

7.6 Immediate Need / Interim Work Orders

7.6.1 The City may authorize Contractor to proceed with work on an interim basis through written or verbal authorization pending issuance or amendment of a formal Purchase Order for immediate need in the following circumstances:

7.6.1.1 In the event work is required to address or deal with a threat to public health or safety, loss of or damage to property, or serious disruption to essential services.

7.6.1.2 In the event work is required to maintain a critical City function or project schedule.

7.6.2 Each interim authorization issued in writing shall at a minimum identify the specific scope of services, a maximum compensation, and such other information the City may require. Contractor will provide an estimated total amount for the Immediate Need/Interim Work Orders which is subject to change based on the services required to fulfill the City's needs.

7.6.3 Following issuance of an interim authorization, Contractor shall promptly submit a detailed written Proposal to City consistent with this Agreement. The Proposal shall include all services required including those services already completed or initiated, and associated rates and All work performed under an interim authorization is subject to cost validation, and the City reserves the right to disallow or adjust any costs not consistent with the terms of this Agreement.

7.6.4 If the City approves the Proposal, the City will issue a Purchase Order as soon as reasonably practicable. Any such Purchase Order shall be incorporated into the Agreement and any work described therein shall be included within the Services.

7.6.5 A Purchase Order must be consistent with – and cannot alter - the terms and conditions of this Agreement. The terms and conditions of this Agreement shall prevail over any and all terms and conditions contained in a Proposal or Purchase Order, even if the Proposal or Purchase Order expressly states that it is intended to control. Any conflicting terms and conditions in a Proposal or Purchase Order are invalid and unenforceable. The order of precedence is as follows: (1) Agreement and any exhibits or amendments thereto, (2) Purchase Order, and (3) Proposal.

7.7 The City may terminate a Purchase Order for convenience within ten (10) days prior written notice to Contractor except that Contractor shall be paid for all Services in accordance with Section 7.C of the Agreement. The City shall have no liability for Services not yet performed or deliverables not yet commenced as of the date of termination.

SECTION 8. WORKMANSHIP

8.1 Contractor shall perform all Services in a professional and environmentally responsible manner that meets or exceeds industry and professional standards of performance. All Services shall be performed by a Contractor employee skilled in the particular task to which they are assigned.

8.2 All parts and/or components replaced or newly installed in the system shall be factory new, or in refurbished condition, and free of defects in title, materials and workmanship at the time of their delivery and installation., Contractor may use rebuilt/refurbished

parts or new parts from another manufacturer if such alternate parts and/or components are approved by the original manufacturer and/or City for use in the specific piece of equipment of the system. If performance, reliability, or compatibility issues are identified with a refurbished product or component, the City shall have the right to reject the use of refurbished parts for the applicable equipment and require the Contractor to provide new replacement parts.

- 8.3** Defects in workmanship, as determined in the Services by the City, shall be removed and replaced to conform to the quality standards of the industry, or otherwise corrected to the City's satisfaction, at Contractor's sole expense.
- 8.4** City reserves the right to inspect any Services performed by Contractor and its subcontractors. If, upon inspection, the City determines that there is any defective Services, the Contractor shall re-perform defective Services and if despite Contractor's reasonable efforts, or non-conforming Services cannot be re-performed, Contractor shall refund monies paid by the City for such non-conforming Work.
- 8.5** ARTICLE 8 and 10 PROVIDES THE EXCLUSIVE REMEDIES FOR ALL WARRANTY CLAIMS BASED UPON THE FAILURE OF OR DEFECT IN PRODUCTS OR SERVICES AND/OR CONTRACTOR'S PERFORMANCE, WHETHER THE FAILURE OR DEFECT ARISES BEFORE OR DURING THE APPLICABLE WARRANTY PERIOD.

SECTION 9. PERMITS AND LICENSES

- 9.1** Contractor shall obtain any license or registration necessary for Contractor to generally conduct business and visas or work permits, if any, necessary for Contractor's personnel.
- 9.2** Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates required by any statute, ordinance, rule, or regulation in order to perform the Services.
- 9.3** Contractor is responsible for obtaining an 811-DIG permit for any services that require digging.

SECTION 10. WARRANTY

- 10.1** All Services performed by Contractor shall carry a warranty of a minimum of twelve (12) months from the date of completion of the Services set forth in the applicable Purchase Order. Contractor shall perform all warranty-related work at no additional cost to the City. All costs incurred to remove, disassemble, reassemble, re-install, re-construct, re-inspect and retest the product hereunder (including the costs of mobilization and demobilization) will be to the account of Contractor.
- 10.2** All parts provided by Contractor shall include a warranty of no less than the greater of either twelve (12) months or the OEM warranty period. In the event the OEM warranty is less than twelve (12) months, Contractor shall extend the OEM warranty to a

minimum of twelve (12) months. All parts fabricated by Contractor shall include a warranty of twelve (12) months. Contractor shall provide the City with a copy of any manufacturer's warranty or extended manufacturer's warranty.

- 10.3** If product and/or Services do not meet the above warranties, the City shall promptly notify Contractor in writing prior to expiration of the applicable Warranty Period. Contractor shall (i) at its option, repair or replace defective products and (ii) re-perform defective Services. If despite Contractor's reasonable efforts, a non-conforming product cannot be repaired or replaced, or non-conforming Services cannot be re-performed, Contractor shall refund monies paid by the City for such non-conforming Work. Any Service or product that is the subject of warranty repair will be re-warranted by Contractor pursuant to the same Warranty set forth in this Agreement, for a period equal to the longer of (a) one (1) year from the date such re-performance, rework, repair or replacement is completed, or (b) the remaining period under the Warranty Period. Contractor's warranty obligations exclude the repair or replacement of any damaged parts or products other than the initially failing product which caused the damage, except that Contractor shall be responsible for the repair cost of such damaged equipment. The City and Contractor shall agree on the specifications of any tests to determine whether a non-conformance exists. Contractor shall perform all warranty work within a reasonable time.
- 10.4** The warranties and remedies are conditioned upon (a) City's proper storage, installation, use, operation, and maintenance of products in accordance with vendors', manufacturers' and/or designers' recommendations, (b) City keeping accurate and complete records of operation and maintenance during the warranty period and providing the Contractor reasonable access to those records, and (c) modification or repair of products and/or Services only as authorized by the Contractor in writing. Failure to meet any such conditions renders the warranty null and void. Contractor is not responsible for normal wear and tear or damage including that due to environment or erosion, corrosion, or material deposits from fluids.

SECTION 11. CITY FURNISHED MATERIALS

- 11.1** Contractor shall credit the City for any City-furnished materials that are used, lost, stolen, damaged or rendered unusable by actions of Contractor

SECTION 12. WORK AREA

- 12.1** The City shall maintain safe working conditions at the Services site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems, where Services or related work are being performed, in a clean and orderly condition at all times. The work area shall be kept free from surplus materials, waste materials, debris, spills, dirt and rubbish materials. Contractor has no responsibility or liability for the pre-existing condition of City's Tools, Facility or the Site. Prior to Contractor starting any work at City site, The City will provide documentation that identifies the presence and

condition of any Hazardous Materials existing in or about City's Tools, Facility or the Site that Contractor may encounter while performing under this Contract. The City shall disclose to Contractor industrial hygiene and environmental monitoring data regarding conditions that may affect Contractor's work or personnel at the Site. The City shall keep Contractor informed of changes in any such conditions. Upon completion of the scheduled Services or at the end of each day, whichever comes first, Contractor shall ensure that its work area is left in a clean, and safe condition.

- 12.2** Contractor shall broom clean the site area of work during the course of and upon completion of Services. If Contractor encounters Hazardous Materials in City's equipment or at the Site that require special handling or disposal, Contractor is not obligated to continue work affected by the hazardous conditions. In such an event, the City shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that Contractor's work under the Contract may safely proceed, and Contractor shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in Contractor's cost of, or time required for, performance of any part of the work.
- 12.3** Contractor shall make all reasonable efforts to minimize obstructions and inconvenience to City operations, employees, and the public during the performance of Services.

SECTION 13. CONTRACTOR'S EQUIPMENT, TOOLS, AND MATERIALS

This Section applies only if the performance of Services requires the use of physical tools, equipment, vehicles, or materials.

- 13.1** Contractor shall provide all equipment, tools (including any specialty tooling), and materials required for the performance of the Services. City will not loan tools or equipment to Contractor. Neither Contractor nor its workers shall attempt to borrow tools or other materials from City personnel.
- 13.2** Contractor shall maintain tools and equipment in proper operating condition and used only for the purpose for which they were designed. City reserves the right to suspend Services if improper tools or equipment are being used or operated.
- 13.3** Contractor shall safely store and secure tools, equipment, and vehicles under lock and key when not in use. Contractor will not leave keys in any vehicles or equipment when not in use. Contractor shall promptly report to the City any loss or damage to tools, equipment, or vehicles.
- 13.4** Neither the City or Contractor shall be responsible for the loss of tools or damage to the other party's equipment, or materials except to the extent such loss or damage is caused by the the responsible party or its personnel.

SECTION 14. DISPOSAL OF WASTE AND SCRAPS

- 14.1** All wastes generated or encountered in the performance of Services must be managed in accordance with all applicable local, State, and federal regulations and laws. Contractor is solely responsible for arranging and implementing proper handling, management, storage, transport, and disposal of all wastes including any hazardous materials introduced, produced, or generated in the performance of the Services.

SECTION 15. SAFETY

- 15.1** Safety must always be the top priority. Contractor shall take all necessary precautions for the safety of all persons at the work site, property, and the public during the performance of Services. Contractor shall install and maintain appropriate safeguards, warning signs, and barriers (e.g., cones, tape, delineators, etc.) as required by applicable law and the conditions of work, and post warnings against known or unusual hazards.
- 15.2** The City shall maintain safe working conditions at the City site, including, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical, and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including piping and instrumentation diagram/drawing (PI&D), single line diagram for indicated systems and physical LOTO.
- 15.3** Contractor shall review and inspect applicable health, safety, security, LOTO and environmental documentation, procedures, and conditions at the Service site.
- 15.4** If, in Contractor's reasonable opinion, the health, safety, or security of personnel or the Services site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Contractor may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from site, suspend performance of all or any part of the Agreement, and/or remotely perform or supervise work. If verified by City, any such occurrence shall be considered an excusable event subject to excusable event.
- 15.5** The City will make its Site medical facilities and resources available to Contractor's personnel who need medical attention. Where applicable, Contractor shall perform all Services in accordance with accepted industry standards and practices, including but not limited to the National Fire Protection Association (NFPA) Codes NFPA 70, 70B, and 70E, National Electrical Manufacturer's Association (NEMA), NETA, and IEEE standards.
- 15.6** If required by applicable law due to the nature of the Services, Contractor shall maintain a written Injury and Illness Prevention Program (IIPP) in compliance with Section 3203, Title 8 of the California Code of Regulations (CCR). The IIPP shall include specific instructions with regard to hazards unique to the employee's job assignment. Contractor shall make a copy available to the City upon request and shall keep a copy

accessible at the work site. As applicable, Contractor shall conduct safety inspections as necessary and as may be requested by the City to identify and correct unsafe conditions and practices. The City reserves the right to accompany Contractor during these inspections.

- 15.7** Where applicable, Contractor must comply with all site-specific safety requirements and procedures, including but not limited to Lockout/Tagout (LOTO), Energy Isolation, Confined Space, Fall Protection, Chemical Safety, Hazardous Waste, and Personnel Protective Equipment (PPE). Contractor must comply with SVP's clearance program for equipment safety requirements. City will provide the clearance program to the Contractor.
- 15.8** Where applicable, Contractor's employees (including any subcontractors) must use appropriate Personal Protective Equipment (PPE) and Fire Resistant (FR) clothing. Any required PPE and FR clothing shall be provided at the expense of Contractor.
- 15.9** When requested by the City, Contractor shall provide an on-site Safety Manager/Supervisor to ensure compliance with all applicable safety rules and regulations. The onsite Safety Manager will perform daily audits and submit daily reports to the City that identify discrepancies or non-compliance, and provide direction in regards to safety rules and regulations to Contractor Project Manager/On-Site Supervisor (as defined in Section 17) and Contractor employees.

SECTION 16. INJURY/PROPERTY DAMAGE

Contractor shall notify the City immediately in the event of an injury or property damage that occurs during the performance of Services. Contractor shall investigate the reported injury or damage upon request from City and provide City with regular updates including all accident reports until the investigation is resolved. City reserves the right to perform its own investigation. Should City choose to conduct its own investigation, Contractor shall assist as required.

SECTION 17. CONTRACTOR PERSONNEL

17.1 Project Manager/On-Site Supervisor

Contractor must designate one (1) Project Manager or On-Site Supervisor to communicate with the City during the performance of Services. The Project Manager/On-Site Supervisor is the designated point of contact for the City to communicate tasks and receive feedback. The Project Manager/On-Site Supervisor must be capable of communicating effectively with City staff.

17.2 Staffing

- 17.2.1** Contractor shall be responsible for its employees' professional and technical competence and will select appropriate individuals who are qualified, certified, and/or licensed to perform the assigned task.

17.2.2 Contractor shall ensure its employees and any subcontractors supply proper identification when requested by the City.

17.2.3 Contractor shall inform City immediately of any change in key personnel assigned to this agreement. Contractor shall submit the resumes and other qualifications of the proposed replacement employee(s) to City for review and approval.

17.2.4 City may reasonably request reassignment of key staff, including the Project Manager. In the event of a request, Contractor shall submit the resumes and other qualifications of proposed replacement employee(s) to City for review and approval.

17.3 Employee Training

17.3.1 At Contractor's sole cost and expense, Contractor shall provide recurring, periodic (no less than annual) training to its employees (including subcontractors) appropriate to the duties and responsibilities of each employee.

17.3.2 It is essential that all employees be thoroughly trained and familiar with the equipment and procedures to be followed.

17.3.3 Contractor's training program shall follow Contractor's standard policies and procedures and shall be in compliance with all applicable federal, state, and local laws, including but not limited to safety and injury prevention training requirements contained in the OSHA standards.

17.3.4 Contractor shall be familiar with SVP's operating standards. Where applicable, all employees are required to watch SVP's safety video once per calendar year or prior to the commencement of the Services. Contractor may bill on a time and material basis for any on-site training required by the City.

17.3.5 At the City's request, Contractor shall submit copies of training records for its employees.

17.4 Standards of Conduct

17.4.1 Contractor is solely responsible for its employees while on or about the work site. This includes but is not limited to, maintaining discipline, ensuring standards of conduct are adhered to, and enforcing safety policies, procedures, and orders. Contractor shall ensure that while on or about the work site, its employees do not:

17.4.1.1 Display a discourteous, abrupt, abrasive, or belligerent attitude.

17.4.1.2 Use any prescribed or over-the-counter medications which can potentially impair the employee's ability to perform the Services safely.

17.4.1.3 Present or identify themselves as employees of the City of Santa Clara.

17.4.1.4 Possess or use any firearms, narcotics, drugs, intoxicants, or other restricted materials while on City premises or performing Services.

17.4.2 If a Contractor employee fails to meet these standards of conduct, Contractor shall immediately remove the employee and provide a replacement. Contractor shall determine appropriate disciplinary actions in accordance with its own policy, a copy of which may be requested by the City at any time.

17.4.3 In the event that a complaint is made against a Contractor employee, Contractor shall notify the City immediately and provide a written explanation detailing how the situation was resolved.

SECTION 18. E-BUILDER

18.1 Use of e-Builder. When required by City, Contractor shall use e-Builder for submission of data and documents to City throughout the Term. e-Builder is a web-based construction management application hosted by e-Builder, Inc.

SECTION 19. TRANSPORTATION, SHIPPING AND FREIGHT

19.1 Contractor shall be responsible for shipment and delivery of all required products, parts, materials, and equipment ("products") to City. Contractor will pay all freight charges which may be reimbursed subject to the terms of this Agreement. All products, parts, materials, and equipment shall be entirely at Contractor's risk from the time they are placed in possession of the carrier for shipment to/from City until final acceptance by the City. Partial deliveries are permitted. Contractor may deliver products up to three (3) months in advance of the delivery schedule, provided such early delivery is approved in advance by the City. If Products delivered do not correspond in quantity, type, or price to those itemized in the shipping invoice or documentation, the City shall notify Contractor within forty-five (45) days after receipt of the products.

19.2 Contractor will pack and ship all products, parts, materials, and equipment in accordance with good commercial practices.

19.3 Contractor shall ensure that products, parts, materials, and equipment are insured against "all risks" from the time the products, materials, and equipment are placed in the possession of the carrier for shipment to/from the City until received by the City at the location set forth in the applicable Purchase Order.

- 19.4** Contractor shall notify City at least sixty (60) minutes prior to arrival of any deliveries to City. City will provide a contact name and phone number to the Contractor.
- 19.5** If any Products to be delivered under this Agreement or if any the City equipment repaired at Contractor's facilities cannot be shipped to or received by The City when ready due to any cause attributable to the City or its other contractors, Contractor may ship such product or repaired equipment to a storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Contractor places such Products or repaired equipment into storage, the following apply: (i) title and risk of loss immediately pass to the City, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Contractor upon delivery or shipment shall be due; (iii) all expenses and charges incurred by Contractor related to the storage shall be payable by The City upon submission of Contractor's invoices; and (iv) when conditions permit and upon payment of all amounts due, Contractor shall make the stored products and/or repaired equipment available to The City for delivery. If requested by City, Contractor shall deliver the product to a storage facility designated by the City.
- 19.6** Risk of loss shall pass to the City upon delivery pursuant to Section 19.1, acceptance of Products shall be deemed to occur upon delivery; acceptance of Services shall be deemed to occur upon City's written acceptance of the Services.

EXHIBIT B
SCHEDULE OF FEES AND PAYMENT PROVISIONS

SECTION 1. MAXIMUM COMPENSATION

- 1.1** The maximum compensation payable to Contractor during the Term shall not exceed the amount in Section 6 of this Agreement.
- 1.2** The City does not guarantee a minimum compensation under this Agreement.

SECTION 2. RATES

2.1 Rate Schedule

The rates applicable to the Services performed under this Agreement are listed in Appendix B1 (Rate Schedule), which is attached hereto and incorporated by reference. The rates shown in Appendix B1 are fully burdened, including all costs such as labor, overhead, and profit.

2.2 Fixed Rates

The rates listed in Appendix B1 shall remain fixed for the first two (2) years of the Agreement term and shall not be subject to escalation or adjustment during that period, except as otherwise authorized by the City under this Exhibit B.

2.3 Additional Rates

If a specific rate, labor classification, equipment type, or service type required under this Agreement is not listed in Appendix B1, Contractor shall submit a written Proposal in response to the City's Work Request. The City shall review the Proposal, and, if acceptable, approve the proposed rate(s) through a Purchase Order or a written amendment. Contractor must clearly provide justification for any additional rates. No such rates shall be effective or compensable unless expressly approved by the City through a Purchase Order or a written amendment.

2.4 Rate Adjustments

After the first two years of the Agreement, rate adjustments may be negotiated no more than once annually. Contractor shall submit any proposed rate adjustments in writing to the City at least ninety (90) days prior to the requested effective date. Any proposed rate adjustments are subject to approval by the City and must be substantiated by the Contractor to the satisfaction of the City. –Should the City not agree to the new rate structure, Contractor is under no obligation to carry out any Work for the City.

2.5 Labor Union or Prevailing Wage Adjustments

If Contractor's employees are covered by a collective bargaining agreement or prevailing wage determination that results in an increase in mandatory labor wages during the term of the Agreement, Contractor may request a corresponding rate adjustment. Any such request shall include documentation substantiating the applicable labor agreement or prevailing wage determination, the effective date and percentage of the wage increase, and a demonstration of how the increase impacts the rates in Appendix B1.

SECTION 3. REIMBURSABLE EXPENSES

Contractor may pass through certain costs such as, but not limited to printing, materials, equipment, and travel as listed in the Reimbursable Expenses Schedule in this Section. Expenses shall be reimbursable only to the extent that (1) Contractor submits sufficient documentation to City that the expenses were directly incurred in providing the required Services, (2) Contractor demonstrates that such expenses are not already included in the hourly rates or unit prices, where applicable, (3) such expenses were approved by the City in advance pursuant to Section 7.3 of Exhibit A, including issuance of a Purchase Order, (4) Contractor submits itemized receipts, invoices, or other supporting documentation demonstrating that such reimbursable costs were incurred, and (5) any Mark Up conforms with the Reimbursable Expense Schedule below.

Reimbursable Expense Schedule		Mark Up
1.	The cost of mailing, shipping and/or delivery of any documents.	No Markup
2.	The cost of photographing, printing, reproducing and/or copying any documents or materials.	No Markup
3.	Charges for outside parts, materials, equipment, and services (including subcontractor fees, equipment, rental equipment, materials, and facilities not furnished directly by Contractor).	Vendor Invoice + 20%
4.	Contractor may charge allowable mileage at the prevailing IRS rate per mile for business related travel. However, Contractor must submit backup documentation that includes the travel start and end locations, travel dates, and corresponding mileage cost. Mileage is not applicable to rental cars. Rental cars are reimbursed at actual fuel cost only.	No Markup
5.	Per diem will be billed for any portion of a day worked including travel days. The per diem is a daily charge covering expenses such as lodging, meals, laundry, standard communication expenses, fuel for rental car, and reasonable road tolls for all days.	Per Diem is included in the Labor Rates in Appendix B
6.	Other travel expenses such as taxi, parking, and tolls.	No Markup
7.	Contractor may provide tips or gratuities only in accordance with standard business practices and in	No Markup

Reimbursable Expense Schedule		Mark Up
	amounts not to exceed twenty percent (20%) of the applicable charge. Any gratuities provided must be customary to the industry and shall not be charged to the City unless expressly authorized in writing. Any non-customary gratuities or tips exceeding this cap shall be the sole responsibility of the Contractor and shall not be reimbursable by the City.	
8.	Other reimbursable expenses with prior written approval from the City.	No Markup

SECTION 4. PAYMENT PROVISIONS

4.1 Time and Materials

For Services authorized to be paid on a time and materials basis, Contractor shall provide an invoice to the City on a monthly basis for Services completed in the preceding month. The invoice must include the following information:

- 4.1.1** Invoice Number, Purchase Order Number, and Invoice Period.
- 4.1.2** Current amount due with a time and materials breakdown: titles, hours, hourly rates, and any City approved reimbursable expenses itemized with supporting documentation.
- 4.1.3** Sufficient detail for City to verify (a) that the charges are in accordance with the Purchase Order, (b) that rates listed in Appendix B1 are charged, and (c) where applicable, hours worked can be matched to certified payroll submittals.

4.2 Fixed Price

For Services authorized to be paid on a fixed price basis, Contractor shall base the invoice to the City in accordance with the Purchase Order and based on either (a) the percentage of Services completed during the previous month or (b) a lump sum amount upon the completion of deliverable(s) and subject to the following:

- 4.2.1** Invoices must include the following information:
 - 4.2.1.1** Invoice Number, Purchase Order Number, and Invoice Period.
 - 4.2.1.2** Detailed information on the Services performed on each deliverable or task completed on each project, as applicable.
- 4.2.2** Contractor shall not invoice labor costs subject to prevailing wages in advance of performing the applicable Services.

4.2.3 With regard to milestone payments, Contractor shall invoice each milestone payment in full. Contractor shall not separate milestone payments into multiple invoices.

4.2.4 Payment terms shall follow the payment terms and milestones included in the Proposal and approved by the City.

4.3 Pre-Payment

City shall not be required to pay a deposit or any other form of pre-payment prior to Contractor beginning the Services.

4.4 Payment Limited to Satisfactory Work.

Contractor is not entitled to any payments until the City concludes that the Services and/or any furnished deliverables have been completed. .

4.5 Certified Payroll

When applicable, Contractor and all subcontractors shall submit certified payroll records for all workers employed in the performance of the Services. All certified payrolls shall be submitted in accordance with the requirements set forth in Exhibit D (Labor Compliance).

4.6 Accurate Invoice

Invoices shall be accurate, itemized, and submitted in a form mutually agreed to between Contractor and the City. If an invoice is incomplete or inaccurate, the City may return it to Contractor for correction and resubmittal before payment can be processed. Contractor shall not charge the City any interest, late fees, or penalties on any outstanding or delayed invoices due to inaccurate billing.

If there are no discrepancies or deficiencies in the submitted invoice and Contractor has submitted all required certified payroll, City shall process the invoice for payment.

Contractor is not required to commence or continue its performance unless and until any applicable Progress Payments have been received. For each day of delay in receiving any Progress Payments, Contractor shall be entitled to an equitable extension of time to durations or periods of time (if any) expressly agreed to by the Parties in the written schedule for performance and/or completion of the Services or any parts thereof. Except for payment disputes, if at any time Contractor reasonably determines that City's financial condition or payment history does not justify continuation of Contractor's performance, Contractor shall be entitled to require or suspend its performance or terminate the Services.

4.7 Confidential

Invoices and related payment documentation are public records and are not confidential, even if marked as confidential when submitted by Contractor.

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APPENDIX B1 TO EXHIBIT B RATE SCHEDULE

SECTION 1. RATES

- 1.1 Contractor shall charge, and the City shall pay for actual Services rendered and authorized according to the process outlined in Section 7 of Exhibit A. The rates applicable for the Services are listed below in Tables B1 and B2.

Table B1 – LABOR RATES*

LABOR CLASSIFICATION	STRAIGHT TIME HOURLY RATE	OVERTIME HOURLY RATE	DOUBLE TIME / HOLIDAY LABOR HOURLY RATE
Standard Field Representative	\$299	\$448	\$598
Specialty Field Representative	\$428	\$642	\$856
Site Manager	\$439	\$659	\$879
Travel Time	At Straight Time Rate		

*Labor Rates Include Per Diem

- 1.2 Time in excess of the normal workday/ work week will be billed at the overtime rate.
- 1.3 Over Time applies to billable hours on Saturdays and normal workday hours greater than 8 hours and less than 12 hours.
- 1.4 Double Time applies to billable hours on Sundays, holidays, and normal workday hours greater than 12 hours.

TABLE B2 – SERVICE RATES

SERVICE	UOM	RATE
Inspection Services		
Borescope Inspection (BSI)	One (1) Gas Turbine / per event	\$7,800
Borescope Inspection (BSI)	Two (2) Gas Turbine / per event	\$12,000
Semi-Annual Inspection	Per Event Gas Turbine	City Will Request Pricing At The Time A Work Request Is Issued.

Annual Inspection (BSI, Package Inspection, Controls Calibration)	Per Event Per Gas Turbine / One Unit	\$18,400
Annual Inspection (BSI, Package Inspection, Controls Calibration)	Per Event For Two Gas Turbines	\$25,350
Advanced Monitoring And Predictive Solutions (AMPS)	Per Quarter	City Will Request Pricing At The Time A Work Request Is Issued.
Planned Maintenance		
Hot Section Exchange (HSE) With Combustor Exchange With Assumed Fallout Rates Outlined In Attachment E Inclusive Of Field Services	Per Gas Turbine	City Will Request Pricing At The Time A Work Request Is Issued.
Major Overhaul (Moh) With Assumed Fallout Rates Outlined In Attachment E For Lpc, Hpc, Hpt And Lpt Blades, Vanes, Nozzles And Shrouds. Inclusive Of Field Services	Per Gas Turbine	City Will Request Pricing At The Time A Work Request Is Issued.
Variable Stator Vanes (Vsv) Bushing Replacement	Per Event Per Gas Turbine	\$145,000
Fuel Nozzle Overhaul/Exchange /Cleaning/ Inspection	Per nozzle	\$4,200
Fuel Nozzle Replacement	One new nozzle	\$9,950
Sprint Nozzle / On-Site Flow Check	Per Event Per Gas Turbine	\$4,300

TABLE B3 – EQUIPMENT RATES

Equipment	Daily Rate
LM6000/LMS100 hot section workscope tooling	\$12,716
LM2500/5000 hot section workscope tooling \$7,226.05	\$7,2266
LM500/1500/1600 hot section workscope tooling	\$4,465
Engine or PT exchange workscope tooling	\$3,532
Semiannual package inspection tooling	\$2,539
Annual package inspection tooling	\$2,891
Special package tooling work packages (PTK, FTK, Adre, emission, etc.)	\$1,344
Standard package tooling work packages (Shaker, O-scope, precision, Impact, etc.)	\$568
Minor package tooling work packages	\$279

(Fanuc, Genius, etc.)	
Low pressure compressor workscope tooling	\$2,706
High pressure compressor workscope tooling	\$2,706
Borescope or boroblend tooling	\$1,344
Level 1 work package tooling	\$797
Includes engine exchange + LPC + SB220	\$8,106
Oil system flush (turbine or generator)	\$873
LMS100 Engine or PT exchange workscope	\$2,784
LMS100 I&C Tool Conex	\$1,563

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 the indicated coverages, provisions and endorsements:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage for Contractor's protection, in broad form including coverage for liability assumed under contract, providing coverage for bodily injury and property. Policy limits shall be the following:

\$5,000,000 Each occurrence
\$5,000,000 General aggregate
\$5,000,000 Products/Completed Operations aggregate
\$5,000,000 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. 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 of one million dollars (\$1,000,000) each accident. 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. Where permitted by law, this policy shall include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents to the extent of Contractor's indemnification and hold harmless obligations under this Agreement.

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 to the extent of Contractor's indemnification obligations under this Agreement
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 an indemnified party may possess, including any self-insurance or self-insured retention they may have. Any other insurance an indemnified party may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.
 - a. For each of the foregoing policies, in case of non-payment of premium, Contractor will provide to City, and will request that the insurer provide to City unless otherwise restricted by law, at least 10 days' advance written notice of cancellation.
 - b. For each of the foregoing policies, GE will provide to Owner, and will request that the insurer provide to Owner unless otherwise restricted by law, at least 30 days' advance written notice of cancellation, except in the case of non-payment of.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Contractor, provide the same insurance coverage required of Contractor, and as applicable to its scope of work, 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

Contractor shall file with the City all certificates and relevant endorsements for the required insurance policies for City's evidencing insurance protection as required by this Agreement.

G. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of relevant 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.. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.
City of Santa Clara Electric Department
P.O. Box 100085 – S2 or 1 Ebix Way

Duluth, GA 30096
Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

John's Creek, GA 30097

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, such approval not to be unreasonably withheld.

EXHIBIT D LABOR COMPLIANCE

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. Contractors shall submit certified payroll through LCP Tracker or similar system as directed by the City. 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 Exhibit 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 Exhibit.
4. 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.
5. 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.
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holidays, premium pay, shift work and travel and subsistence requirements can be found at www.dir.ca.gov.

7. 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.
8. 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. Contractors shall submit certified payroll through LCP Tracker or similar system as directed by the City. 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.
9. 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.
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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 Exhibit.

4. 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.

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