

EBIX Insurance No. S200004094

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

PREAMBLE

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Navigant Consulting, Inc., a Delaware corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

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

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

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

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

Exhibit D – Labor Compliance Addendum (if applicable)

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings,

whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on October 15, 2018 and terminate on December 31, 2019.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

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

4. WARRANTY

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

5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE

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

6. COMPENSATION AND PAYMENT

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is ninety five thousand dollars (\$95,000), subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed, or materials provided, in excess of the maximum compensation shall be at Contractor's expense.

Contractor shall not be entitled to any payment above the maximum compensation under any circumstance.

7. TERMINATION

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

8. ASSIGNMENT AND SUBCONTRACTING

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

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

9. NO THIRD PARTY BENEFICIARY

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

10. INDEPENDENT CONTRACTOR

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

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed

or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

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

13. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR

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

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

14. HOLD HARMLESS/INDEMNIFICATION

- A. To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner

arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Contractor pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with Contractor to perform any portion of the Scope of Services – and shall expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

- B. Contractor's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Contractor, against City (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.
- D. Notwithstanding the terms of any other provisions, (i) the total liability of Contractor and its subsidiaries, officers, employees and agents for all claims of any kind arising out of this engagement, whether in contract, tort or otherwise, shall be limited to four (4) times the total fees paid to Contractor under this Agreement; and (ii), neither Contractor nor City shall in any event be liable for any indirect, consequential or punitive damages, even if they have been advised of the possibility of such damages.

15. INSURANCE REQUIREMENTS

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

16. WAIVER

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

17. NOTICES

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

City of Santa Clara
Attention: Department of Electric Utility
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:

Navigant Consulting, Inc.
Attention: Andy Dressel
35 Iron Point Circle, Suite 225
Folsom, CA 95630
and by e-mail at Andrew.dressel@navigant.com

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

18. COMPLIANCE WITH LAWS

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

19. CONFLICTS OF INTEREST

Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and

following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

20. FAIR EMPLOYMENT

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

21. NO USE OF CITY NAME OR EMBLEM

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

22. GOVERNING LAW AND VENUE

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

23. SEVERABILITY CLAUSE

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

24. AMENDMENTS

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

25. COUNTERPARTS

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

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

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: 10/24/18

BRIAN DOYLE
City Attorney



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

"CITY"

NAVIGANT CONSULTING, INC.
a Delaware corporation

Dated: September 28, 2018By (Signature): Name: Chris LurasTitle: Director, Risk & CompliancePrincipal Place of Business Address: 150 N Riverside Plz, Suite 2100
Chicago, IL 60606Email Address: Chris.Luras@navigant.comTelephone: (801) 891-7127Fax: (916) 852-1073

"CONTRACTOR"

**EXHIBIT A
SCOPE OF SERVICES**

The Services to be performed for the City by the Contractor under this Agreement are set forth below.

NAVIGANT

Proposal for

NERC CIP Compliance Support

Prepared for:



Submitted by:
Navigant Consulting, Inc.
35 Iron Point Circle
Suite 225
Folsom, CA 95630

916.631.3200
navigant.com

August 1, 2018

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Navigant Consulting, Inc. (Navigant) is pleased to submit the enclosed proposal to assist the Silicon Valley Power (SVP) in support of its North American Electric Reliability Corporation (NERC) critical infrastructure protection (CIP) program, and all associated reliability compliance needs. Navigant will bring unrivaled experience and expertise to this project. Specifically, we propose to bring a project team to SVP with extensive assessment, development, and implementation experience with the NERC Reliability Standards, a complete understanding of cyber systems and security, and expert knowledge of the utility industry (including understanding best practices in generation, transmission, and operation of BES facilities, including control systems). We are confident we will exceed SVP's objectives and goals. Our project team includes former key Western Electricity Coordinating Council (WECC), North American Electric Reliability Corporation (NERC), and industry leaders and analysts with demonstrated successes in assessing and improving NERC audit preparedness, assessing and enhancing compliance programs, and generally helping public power entities, like SVP, organize and present evidence to WECC while showcasing the strengths and knowledge of SVP's own subject matter experts (SMEs). We have helped several entities, described in our proposal, identify, develop, implement, and maintain internal controls to ensure these entities maintain (and efficiently demonstrate) compliance with the NERC Reliability Standards.

WHY NAVIGANT?

Our team created WECC processes and shaped the NERC and regional regulatory approaches. Thus, we can advise on all decisions around CIP compliance monitoring and implementation as well as improvement and mitigations. The Navigant team helps clients strengthen reliability compliance programs, identify and evaluate risk and controls, prepare for audits, and develop risk management and risk-informed decision-making platforms or frameworks.

We are confident we can assist you in attaining SVP's goals given:

- ***Our unmatched experience:*** Navigant's proposed team includes recognized industry and reliability compliance experts that have extensive experience working for WECC, NERC, and various registered entities. The project team is led by Andy Dressel, Associate Director of our Risk and Compliance team. Andy is the former GridSME Director of Regulatory Compliance that has been assisting SVP since 2015. Andy will be supported by the entire Navigant Energy Risk and Compliance team which includes, but is not limited to: Chris Luras (Director - former WECC Director of Compliance Risk Analysis and Enforcement), Keshav Sarin, (Associate Director - former WECC Manager of Compliance Risk Analysis and former CIP Analyst), Matt Moore (Associate Director - former WECC Manager of Enforcement), Edd Dobrowolski (Director - former Director of Standards Development at NERC), Tyson Jarrett (Managing Consultant - former WECC CIP Risk Analyst and Auditor), Garret Story (Senior Consultant - former WECC CIP auditor), DJ McCarty (Senior Consultant - former WECC enforcement staff), Brent Read (Managing Consultant - former Texas RE Manager of Risk and Compliance and former WECC auditor), Doug Morrill (Associate Director - CIP and cyber security expert), and Roger Cummins (Associate Director - former WECC operations and planning auditor). This experience is unmatched among energy consulting firms and illustrates our expertise in all aspects of reliability compliance, including our proficiency with all reliability standards, our ability to provide comprehensive audit preparation, expertise in reliability compliance program management and governance, our deep expertise in all aspects of WECC's oversight, including risk-based audit scoping (through implementation of the Inherent Risk Assessment and Compliance Oversight Plan). Our unmatched experience will help SVP improve its processes.
- ***Our significant knowledge and understanding of SVP:*** Andy Dressel has a three-year history of working with SVP; he was part of the core group that developed SVP's NERC CIP Program, he participated in SVP's 2017 WECC/NERC Audit, and he assisted with the development of post-Audit Mitigation Plans. Andy has established strong relationships with SVP's compliance team – including

its management team and SMEs.

- ***Our robust understanding and unrivaled approach:*** Our approach considers SVP's regulatory processes in the context of SVP's business and operations. We will facilitate SVP's CIP compliance audit readiness in such a way that ensures SVP is positioned for success. We will prepare SVP for its audit (and related processes) and ensure SVP's SMEs and evidence are organized and prepared to reduce data requests and limit uncertainty. Significantly, Navigant has customized the approach in this proposal for SVP to achieve even greater long-term effectiveness while also realizing immediate efficiency gains. Our compliance assessment and audit preparation work is done through the lens of WECC's compliance monitoring tools, internal controls processes, Internal Compliance Program Assessment processes, and all other compliance monitoring. This ensures SVP is positioned for all aspects of the NERC and WECC CMEP processes, while positioning SVP to achieve internal benefits. This could include reduced compliance monitoring and enforcement requirements from WECC, reduced audit breadth and depth and, while positioning SVP to achieve reliability and compliance process optimization throughout its organization.

Sincerely,

Chris J. Luras,
Director, Risk & Compliance
Enclosure

1. Overview of Approach

Overview of suggested approach to the project, including schedule of tasks, task duration, resources assigned to tasks, and estimated level of effort for each task. Plan and schedule for each task.

SVP is registered as a Generator Owner, Generator Operator, Transmission Owner, Transmission Operator, Transmission Planner, and Distribution Provider on the NERC Compliance Registry. Navigant will deliver a sustainable CIP compliance approach that will instill and further engrain strong principles throughout SVP's organization. Accordingly, in our approach, we address the following for SVP to ensure a robust preparation leading up to the audit, at the audit, and after the audit.

- Identify and manage risks to reliability, security and compliance;
- Further bolster SVP 's risk-based strategies in scoping, scaling and assessing compliance;
- Assess and strengthen processes and procedures to identify, assess and correct reliability, security and compliance issues;
- Strategically identify and manage internal controls through sharing controls information with WECC auditors to demonstrate SVP has managed these risks;
- Assess and strengthen sufficiency of compliance documentation, including evidence;
- Further develop efficient processes to manage the next WECC audit, the WECC Compliance Oversight Plan and any associated post audit activities;
- Develop and implement strategies to manage any incident management needed including supporting any investigation, self-report, or mitigation plan; and,
- Provide SVP with the ability to use Navigant's depth of over 600 utility consultants, offering expertise in all aspects of utility operations.

Navigant's experience in all aspects of compliance gives SVP the most valuable, end-to-end compliance support before, during, and after a WECC audit. No other firm has as many years of direct WECC Compliance experience as Navigant.

Specifically, we have tailored our approach such that, in working with Navigant, SVP will learn how to effectively translate its compliance assessments into effective compliance, oversight and operational strategies. Further, we will instill risk-based oversight principles into our review, and thereby assist SVP's compliance team and SMEs to think like – and anticipate - WECC auditors.

Given the continued implementation of WECC's risk-based processes, SVP will benefit from having a solid understanding and analysis of its inherent risks and identify any associated internal controls. Once SVP evaluates its risks and associated controls, SVP and Navigant can implement a straightforward, but continuous risk management process. In all cases throughout our approach, Navigant will work with SVP to develop, implement, disseminate and train on all reports, policies, procedures, and processes that arise as part of Navigant's compliance and risk assessments.

1.1 Support SVP CIP Activities

Regular contact to provide advice and guidance on NERC CIP compliance.

- *Schedule:* Weekly check-in calls as scheduled by the Compliance Administrator

Resources: Navigant Project Manager, SVP Compliance Administrator, SVP CIP Senior Manager and other SVP staff as applicable.

Andy Dressel will hold a weekly meeting with the SVP CIP Senior Manager and the Compliance Manager that serves as an opportunity to discuss needs, projects, completed activities, ongoing activities, compliance issues, and upcoming activities within SVP's CIP compliance program. Navigant will support the meeting, as directed by SVP's compliance team, assess current and future compliance risk, and offer solutions and assistance to ensure SVP's CIP compliance performance. Furthermore, we will tailor the work such that SVP's compliance objectives are conveyed with the appropriate context, including SVP's past compliance experiences, the current risk-informed regulatory framework, and goals leading up to, during, and following future compliance audits.

This service will also encompass all support activities to assist SVP in developing and maintaining an effective CIP program that minimizes compliance and security risks to SVP's Bulk Electric System (BES), Cyber Systems and associated CIP-protected devices. Specific activities may include, but is not limited to, policy and procedure improvement; tool development and improvement; compliance guidance; internal control identification and evaluation; self-report guidance; and mitigation plan development.

1.2 Cybersecurity Services

Navigant excels at implementing user, application, and network security infrastructure for utilities. We have successfully assessed, designed, and implemented security improvements on IT and operational technology (OT) environments such as control systems at substations, power plants, and other industrial facilities.

As requested by SVP, Navigant will provide services that address the following:

- **Supply chain risk management (CIP-013, Pending Regulatory Approval)** - Navigant can assist in establishing effective supply chain risk assessment processes (based on what is required by CIP-013 for medium and high impact BES Cyber Systems). We can help SVP mitigate cyber security risks to the BES or to the overall organization by recommending security controls for supply chain risk management. Navigant can assist with the following:
 - Prioritize cyber security risks associated with the supply chain and suppliers including identification of critical suppliers. Some examples of common risks are:
 - Cyber security incidents at suppliers
 - Change in supplier personnel
 - Non-disclosure of known vulnerabilities in supplier products
 - No verification of software integrity and authenticity of security patches
 - No controls for supplier-initiated interactive remote access
 - Develop strategies to manage identified cyber security risks. Some examples of common risks are:
 - Provide recommendations for communication and notification protocols with suppliers
 - Design access controls for network communication with suppliers

- Design supplier education and training
 - Continuous monitoring of high priority risks and suppliers: Once SVP has established a supplier risk management program, Navigant can assist with implementing a monitoring program that includes periodically reviewing supplier risks, evaluate plans, procedures and controls.
- **Application security** – Assess applications running on SVP's IT and OT infrastructure to ensure they configured to run in a secure manner
- **Cyber security awareness and training** - Navigant can provide security awareness training and security awareness programs for SVP 's IT, OT and cybersecurity awareness professionals as required by CIP-003. Navigant can offer the following:
 - Security awareness classes and resources
 - Security training tools, guidance, and support to effectively build a best-in-class program
- **Security controls and framework assessment** - Navigant can help SVP identify cyber security risks based on industry leading security, risk, and resilience frameworks such ES-C2M2, NIST Cyber Security Framework, CMMI and CERT-RMM
- **BES Cyber asset/system identification** – Navigant can review SVP 's BES cyber asset/system identification process to ensure they are properly categorized

2 Project Team

Identification of the vendor's project team and individual resumes, history of related work experience, qualifications, etc.

While Navigant's global energy practice provides significant breadth and depth, the specific project team necessary will be led by Andy Dressel. In addition, we have established a project team to support SVP before, during, and after its compliance engagements. We designed this team to provide comprehensive end-to-end services to SVP with respect to the Critical Infrastructure Protection (CIP) requirements, SME preparation components, risk and controls identification, analysis, and development support, and pre- and post-audit process optimization.

With noted WECC and NERC CIP experts, regulatory process experts (including NERC, WECC, enforcement, mitigation, negotiation, and ICP expertise), O&P experts, and key risk and controls personnel, Navigant is best positioned to provide comprehensive compliance services to assist SVP. Furthermore, as the largest energy services firm, we can call upon over 600 additional consultant resources as SVP's circumstances dictate. We anticipate both a core delivery team and key as-needed resources shown below, and we will also call upon our vast resources to address any specific issues as they may emerge.

Figure 1-1. Project Team

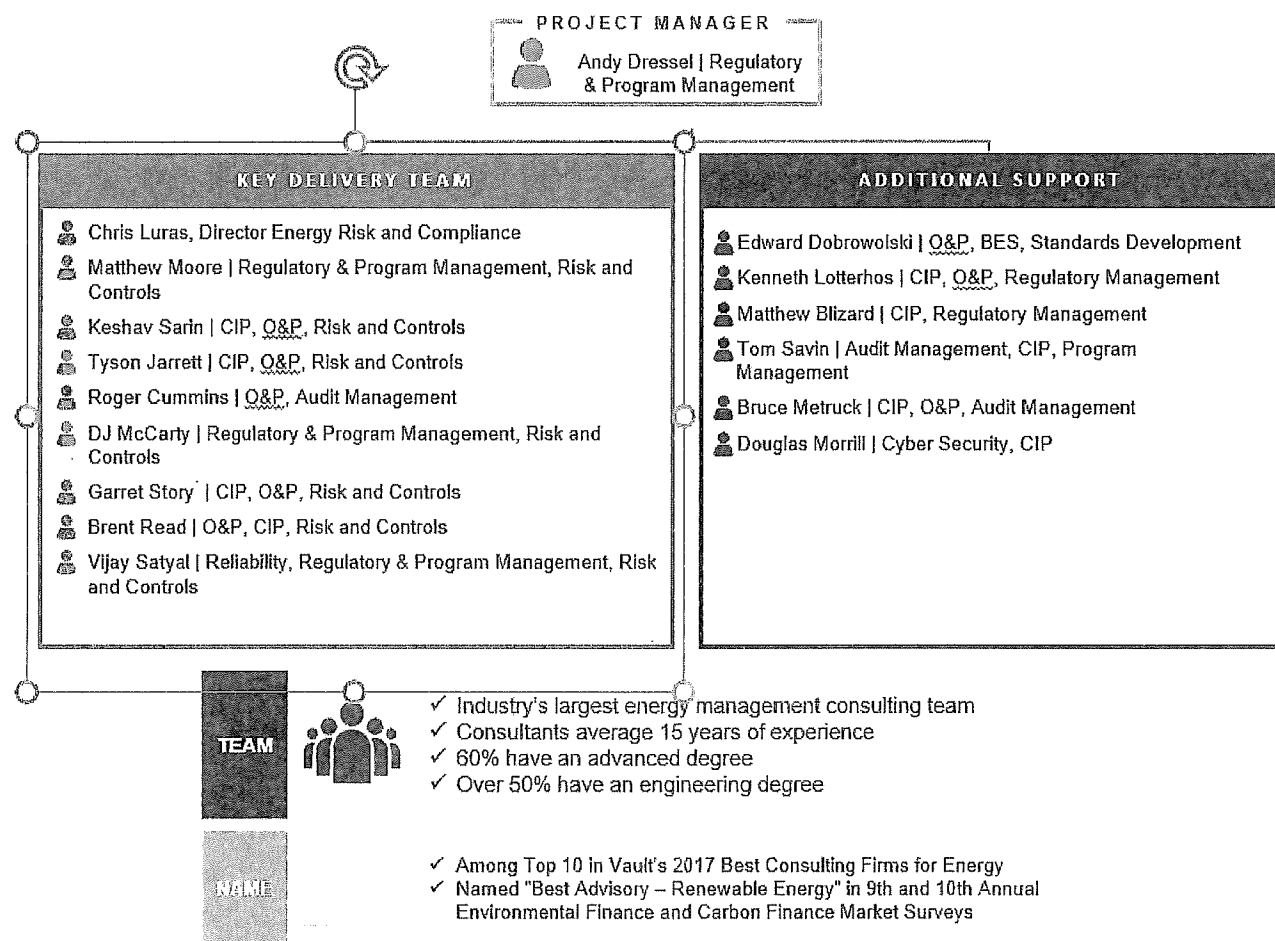


EXHIBIT B
SCHEDULE OF FEES

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month on an invoice and in a format approved by City and subject to verification and approval by City. City will pay Contractor within thirty (30) days of City's receipt of an approved invoice.

The following table and total proposed costs includes a not to exceed amount of \$90,000 for professional services on a time and materials and \$5,000 of travel costs. Travel costs will be billed as incurred with no mark up. Navigant will use customary economy travel rates and airfare will be at the coach or main cabin rate.

Table 1-1. Cost by Task

Labor Categories	Fee
Support Internal Compliance Program	\$90,000
Travel Expenses (as accrued for necessary onsite visits)	\$5,000
Total	\$95,000

All work will be billed on a time and materials basis at the rates indicated in Table 1-2 or we could develop specific task orders on a task or fixed fee basis:

Table 1-2. Hourly Rates by Classification

Labor Categories	Hourly Rate
Director	\$323
Associate Director	\$281
Managing Consulting	\$235
Sr. Consultant	\$204
Consultant	\$158

EXHIBIT C

INSURANCE REQUIREMENTS

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

A. COMMERCIAL GENERAL LIABILITY INSURANCE

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

\$1,000,000 Each Occurrence
\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

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

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of two million dollars (\$2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

C. WORKERS' COMPENSATION

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

D. COMPLIANCE WITH REQUIREMENTS

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

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other

insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.

3. Cancellation.

- a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
- b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

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

complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

F. EVIDENCE OF COVERAGE

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

G. EVIDENCE OF COMPLIANCE

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

EBIX Inc.

City of Santa Clara- Department of Electric Utility

P.O. Box 100085 – S2

or 1 Ebix Way

Duluth, GA 30096

John's Creek, GA 30097

Telephone number: 951-766-2280

Fax number: 770-325-0409

Email address: ctsantaclara@ebix.com

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.