

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**PREAMBLE**

This Agreement is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and Energy Project Solutions, a California Limited Liability Company (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

- Appendix 1 – O&M Task Field Activities
- Appendix 2 – O&M Task Compliance Activities
- Appendix 3 – O&M Task Construction/Repair Compliance Activities
- Appendix 4 – Operator Qualification Compliance Activities
- Appendix 5 – IMP Compliance Activities

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

Exhibit D - Notice of Exercise of Option to Extend Agreement Form

Exhibit E – Work Authorization Form

Exhibit F – Labor Compliance Addendum

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

## **2. TERM OF AGREEMENT**

- A. Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on May 1, 2021 and expire on April 30, 2026.
- B. After the Initial Term, the City reserves the right, at its sole discretion, to extend the term of this Agreement for up to five (5) additional one-year terms through April 30, 2031 (“Option Periods”). City shall provide Contractor with no less than thirty (30) days prior written notice of its intention to exercise its option to extend the term of this Agreement. See Exhibit D for Notice of Exercise of Option to Extend Agreement Form.

## **3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE**

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

## **4. WARRANTY**

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

## **5. QUALIFICATIONS OF CONTRACTOR- STANDARD OF CARE**

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

## **6. COMPENSATION AND PAYMENT**

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES AND PAYMENT PROVISIONS." The Maximum Compensation of this Agreement during the Initial Term is Three Million One Hundred Eighty-Six Thousand Nine Hundred Dollars (\$3,186,900), 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.

## **15. INSURANCE REQUIREMENTS**

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

## **16. WAIVER**

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

## **17. NOTICES**

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

City of Santa Clara  
Attention: Silicon Valley Power  
1500 Warburton Avenue  
Santa Clara, CA 95050  
svpcontracts@santaclaraca.gov, jcoleman@santaclaraca.gov, and  
manager@santaclaraca.gov

And to Contractor addressed as follows:

Michael Finch  
Energy Project Solutions LLC  
841 Mohawk Street, Suite 120  
Bakersfield CA 93309  
Phone: 661-809-4956  
Email: mfinch@energyprojectllc.com

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

## **18. COMPLIANCE WITH LAWS**

Contractor shall comply with all applicable laws and regulations of the federal, state and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Contractor's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.060), and Food and Beverage

Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Contractor has read and agrees to comply with City's Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

**19. CONFLICTS OF INTEREST**

Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

**20. FAIR EMPLOYMENT**

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

**21. NO USE OF CITY NAME OR EMBLEM**

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

**22. GOVERNING LAW AND VENUE**

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

**23. SEVERABILITY CLAUSE**

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

**24. AMENDMENTS**

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

## 25. COUNTERPARTS

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

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

**CITY OF SANTA CLARA, CALIFORNIA**  
a chartered California municipal corporation

Approved as to Form:

Dated: \_\_\_\_\_

\_\_\_\_\_  
BRIAN DOYLE  
City Attorney

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

"CITY"

**ENERGY PROJECT SOLUTIONS, LLC**

A California Limited Liability Company

Dated: 3/23/2021

By (Signature):

Name: Michael Finch

Title: President

Principal Place of Business Address: 841 Mohawk Street Suite 120, Bakersfield CA 93309

Email Address: mfinch@energyprojectllc.com

Telephone: 661-809-4956

Fax: \_\_\_\_\_

"CONTRACTOR"



**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC  
EXHIBIT A  
SCOPE OF SERVICES**

**1. GENERAL**

- 1.1.** Contractor shall furnish all labor, materials, tools, and equipment necessary to provide Gas Pipeline Compliance, Inspection, Maintenance and Repair Services, as defined in this Exhibit A.
- 1.2.** All services shall be completed in a timely, efficient manner so as to ensure the pipeline remains operational.
- 1.3.** The Contractor shall possess all licenses and/or certifications necessary to perform the services described in this Exhibit A. Contractor shall also secure all permits necessary such as, but not limited to City permits and 811 Dig permits. This shall include payment of any charges and fees associated with permits required to perform the services.
- 1.4.** Contractor shall perform the services in accordance with generally accepted industry best practices, and all applicable federal, state, or local regulations.
  - 1.4.1.** In particular, Contractor shall comply with the United States Department of Transportation (USDOT) Pipeline Hazardous Materials Safety Administration (PHMSA) policies, guidelines, and regulations including, but not limited to, the following.
    - 1.4.1.1.** Federal Pipeline Safety program 49 CFR 191 and 192 (Electronic Code of Federal Regulations, Title 49, Subtitle B, Chapter 1, Subchapter D);
    - 1.4.1.2.** Schedule required by PHMSA gas pipeline regulations; and
    - 1.4.1.3.** National Association of Corrosion Engineers, as applicable.
  - 1.4.2.** Contractor shall stay current on changes made to the USDOT PHMSA programs, and manage any required implementation of new/updated items into SVP's gas pipeline operations and maintenance program.
- 1.5.** Contractor shall be responsible for disposing of all hazardous material generated during, or as a result of, the performance of services.

- 1.6. Any deviations from the requirements described in this Exhibit A, whether due to emergencies or any other unforeseen events, must be approved in writing by the City.
- 1.7. Contractor shall meet with City staff on at least a quarterly basis.

## **2. GAS PIPELINE COMPLIANCE, INSPECTION, MAINTENANCE AND REPAIR PROGRAMS**

### **2.1. MONTHLY SERVICES**

**2.1.1.** On a monthly basis, Contractor shall manage and administer the following compliance, inspection, maintenance and repair programs.

- 2.1.1.1.** Operations and Maintenance (O&M) Field Activities (further detailed in Appendix 1). NOTE: At a minimum, Contractor shall conduct annual reviews using agenda format for each Gas Pipeline Integrity Management Plan (IMP) element shown in Appendix 1 to satisfy all the requirements;
- 2.1.1.2.** PHMSA gas pipeline O&M Task Compliance Activities (further detailed in Appendix 2);
- 2.1.1.3.** PHMSA gas pipeline O&M Task Construction/Repair Activities and Compliance (further detailed in Appendix 3);
- 2.1.1.4.** PHMSA gas pipeline Operator Qualification (OQ) Tasks and Compliance Activities (further detailed in Appendix 4); and
- 2.1.1.5.** PHMSA Gas Pipeline IMP Field Activities, Compliance Activities, and Action Items (further detailed in Appendix 5).

**2.1.2.** For each of the programs outlined in Section 2.1.1 above, Contractor shall perform the following services.

- 2.1.2.1.** Develop written program & support procedures including, but not limited to:
  - 2.1.2.1.1.** Pipeline O&M procedures as required by 49 Code of Federal Regulations (CFR) 192;
  - 2.1.2.1.2.** Pipeline OQ procedures as required by 49 CFR 192; and
  - 2.1.2.1.3.** Pipeline IMP procedures as required by 49 CFR 192.
- 2.1.2.2.** Web-based Management Systems & Online Training.
- 2.1.2.3.** Geographic Information Systems (GIS) Mapping and Analysis.

#### **2.1.2.4. Audits and Audit Support**

**2.1.2.4.1.** Contractor will be available and take the lead during audits (such as PHMSA pipeline IMP, O&M or OQ audits) when they occur.

**2.1.2.4.2.** During an audit, Contractor must be able to provide all required procedures and records as required by 49 CFR 192, 49 CFR 192.801-809 and PHMSA OQ inspection protocols.

**2.1.2.5.** Jurisdictional analysis, including identification of agencies that need to be contacted in the event of gas pipeline activity; and communication and coordination with other local, state, and federal agencies impacted by the pipeline including, but not limited to, other City departments, the Department of Fish and Game, California Highway Patrol, railroad system, and the California Department of Transportation (Caltrans).

## **2.2. EVENT-DRIVEN SERVICES**

### **2.2.1. General**

**2.2.1.1.** Contractor shall perform event-driven gas pipeline compliance, inspection, maintenance and repair services, to be defined as those services that are triggered by a preceding event or upcoming deadline, as required.

**2.2.1.2.** Upon request from the City, Contractor shall provide services and resources required to perform the event-driven services described below.

### **2.2.2. Major Gas Pipeline Inspections**

**2.2.2.1.** Contractor will perform major in-line inspections (ILI) to check the internal integrity of both the 6-inch and 12-inch gas pipelines, in accordance with 49 CFR Part 192, Subpart O and all of its references.

**2.2.2.2.** During each inspection, Contractor will modify inspection tool (Pig) launchers and receivers as well as perform hydro test preparation for long term storage. The purpose of Contractor's modifications will be to:

**2.2.2.2.1.** Help prevent long term corrosion of launchers and receivers; and

**2.2.2.2.2.** Ensure current ILI tools (smart pigs) can pass through to perform complete inspections of piping and welds.

- 2.2.2.3.** The inspections shall include weld mapping.
- 2.2.2.4.** Prior to performing pipeline inspections, Contractor shall submit a recommended inspection tool to the City for review and approval. The City shall not unreasonably withhold approval. The approved inspection tool shall be used on both the 6-inch and 12-inch pipeline.
- 2.2.2.5.** Contractor may recommend modifications to piping based on inspection findings. Any recommended modifications to piping shall be in accordance with applicable American Society of Mechanical Engineers (ASME) standards, including but not limited to B31.8.
- 2.2.2.6.** Inspection Schedule
  - 2.2.2.6.1.** The State of California requires major gas pipeline inspections to be performed every seven (7) years.
  - 2.2.2.6.2.** City expects Contractor to perform an inspection of the 6-inch gas pipeline within 12 months after execution of this Agreement.
  - 2.2.2.6.3.** City and Contractor shall finalize the date and time of the 6-inch gas pipeline inspection.
  - 2.2.2.6.4.** City does not expect Contractor to perform an inspection of the 12-inch gas pipeline during the initial term of this Agreement as the inspection will be performed under a separate contract.
  - 2.2.2.6.5.** Should the City decide to exercise its option(s) to extend the term of this Agreement, City shall coordinate with Contractor to schedule the 12-inch gas pipeline inspection during the appropriate option period.

### **2.2.3. Remedial Measures**

- 2.2.3.1.** Contractor shall perform remedial measures as required. Remedial measures are services performed, beyond normal O&M services, to address issues discovered during the gas pipeline inspections.
- 2.2.3.2.** Remedial measures shall include but not be limited to:

- 2.2.3.2.1. Repair or replacement of pipe casings, pipeline coating, emergency valves, relief valves, pipe segments, and rectifiers;
  - 2.2.3.2.2. Pipeline leak repairs;
  - 2.2.3.2.3. Mitigation of corrosive properties in the gas (e.g. installing corrosion coupons, injection corrosion inhibitor, etc.);
  - 2.2.3.2.4. Mitigation of low cathodic protection readings (e.g. Close Interval Surveys, installing anodes, etc.); and
  - 2.2.3.2.5. Moving pipeline due to new construction or city/county building requirements.
- 2.2.4. Contractor shall perform one-call processing, marking, and onsite standby services, as needed.
  - 2.2.4.1. For one-call, Contractor shall comply with the following:
    - 2.2.4.1.1. Within 48 hours of a dig request by USANorth811 or similar service, Contractor shall respond in conformance with USANorth811 regulations, guidelines, and best practices. Contractor shall also comply with the American Public Works Administration (APWA) uniform color code (American National Standards Institute [ANSI] Z535.1). Such response may be electronic or in person and may require:
      - Determination about whether locating and marking is required;
      - Field meeting to be scheduled with USA Ticket Requestor; or
      - Standby, if needed.
- 2.2.5. Contractor shall perform other event-driven services, including but not limited to:
  - 2.2.5.1. Line Locating Trips; and
  - 2.2.5.2. Other work discovered during routine maintenance.
- 2.2.6. Notwithstanding the services described in Section 2.2.4 above, Contractor shall provide quotes for event-driven services, in accordance with the Project Quotes and Work Authorization Form Section.

## **2.3. UNSCHEDULED PROJECTS**

### **2.3.1. General**

- 2.3.1.1.** Contractor shall complete unscheduled projects, defined as projects that are expected to be completed during the term of this Agreement, but do not qualify as Monthly services; Event-Driven Services; Emergency Services; or Additional Services.
- 2.3.1.2.** Unscheduled services shall include, but not be limited to, the services described in this Section 2.3.

### **2.3.2. Anode Replacement**

- 2.3.2.1.** Contractor shall replace all SVP anode beds on the 12-inch gas line, as required.
- 2.3.2.2.** The work will require the replacement of gas line anodes that are buried up to 40 feet deep at varying locations on the 12-inch gas line that runs down Lafayette Street.
- 2.3.2.3.** Contractor shall be responsible for obtaining an 811-dig permit for every anode bed replacement that requires digging.
- 2.3.2.4.** Contractor shall perform a baseline test on all anode beds after replacement.
- 2.3.2.5.** Contractor shall provide as-built drawings showing locations of all anodes.
- 2.3.2.6.** Frequency: Anode replacements are required every ten to fifteen years. The City expects Contractor to perform one anode replacement during the initial five-year term. City and Contractor shall finalize the date and time of the anode replacement project.

### **2.3.3. Gas Inlet Filter/Scrubber**

- 2.3.3.1.** Contractor shall perform a one-time installation of an inlet filter or scrubber at the City's gas compressor station located at 2965 Lafayette Street, Santa Clara, CA 95054.
- 2.3.3.2.** City will coordinate with Contractor to schedule a site visit to the gas compressor station. The purpose of the site visit will be for the Contractor to get a better understanding of the project, and begin the scoping and design phase.
- 2.3.3.3. Project Plan**
  - 2.3.3.3.1.** Contractor shall provide a preliminary project plan and schedule to the City for review and approval.
  - 2.3.3.3.2.** The project plan shall provide a detailed scope of work for the project.

- 2.3.3.3.** The project plan shall include, but not be limited to, an isometric plan showing how the filter/scrubber will go in; a welding plan, a nondestructive evaluation (NDE) plan; and a list of the materials to be used, with specifications.
- 2.3.3.4.** The project plan shall include a project schedule. The project schedule shall point out any activities and/or products or materials that may impact the project timeline, including but not limited to, lead time(s) for material sourcing; shipping and receiving delays; and any other delays.
- 2.3.3.4.** Contractor shall design and provide specification sheets for the new gas inlet filter or scrubber to the City for approval. The City shall not unreasonably withhold approval.
- 2.3.3.5.** Prior to starting the design process:
- 2.3.3.5.1.** SVP will provide all existing piping, civil and isometric drawings of the area to be modified in editable CAD drawings. If drawings are not available in electronic format SVP shall recreate files based on field observations and available data.
- 2.3.3.5.2.** SVP shall provide the design parameters (maximum pressure, flow rate and maximum temperature) for the sizing the vessel prior to starting the design process.
- 2.3.3.5.3.** The design will incorporate a bypass around the filter if required to facilitate maintenance.
- 2.3.3.5.4.** Contractor shall create a piping and isometric drawing of the proposed piping change.
- 2.3.3.5.5.** Upon City approval of proposed gas inlet filter/scrubber and design, Contractor shall perform the installation.
- 2.3.3.5.6.** Upon completion of the project, Contractor shall provide as-built drawings to the City.
- 2.3.4.** Other projects including External Corrosion Direct Assessment (ECDA) Compressor Piping.

- 2.3.5. Contractor shall provide quotes for unscheduled projects and a Work Authorization shall be required, in accordance with the Project Quotes and Work Authorization Form Section.

## **2.4. ADDITIONAL SERVICES**

- 2.4.1. Contractor may be required to provide additional as-needed services including, but not limited to:
  - 2.4.1.1. DOT Pipeline Fatigue Training;
  - 2.4.1.2. Onsite locator class;
  - 2.4.1.3. Other trainings and classes as needed;
  - 2.4.1.4. Onsite operator qualification job performance evaluations; and
  - 2.4.1.5. Control room management gap analysis.
- 2.4.2. Contractor shall provide quotes for additional services and a Work Authorization may be required, in accordance with the Project Quotes and Work Authorization Form Section below.

## **2.5. EMERGENCY SERVICES**

- 2.5.1. An emergency service shall be defined as an unforeseen event, circumstance, or combination thereof that the City reasonably determines to require immediate action, presents an ongoing danger to public health and safety, and/or imperils the SVP gas pipeline distribution system.
- 2.5.2. Emergency services may only be authorized, in writing, by an Assistant Director of the Electric Utility, Electric Utility Chief Operating Officer, or Chief Electric Utility Officer.
- 2.5.3. When emergency services are required, Contractor shall send a quote to the City for the required services as soon as possible, but no later than within three (3) business days of starting work. The quote shall be detailed in accordance with the Project Quotes and Work Authorization Form Section below and shall also include any completed work.

## **3. PROJECT QUOTES AND WORK AUTHORIZATION FORM**

- 3.1. Contractor shall submit a quote in advance of performing the following services.
  - 3.1.1. Event-driven services, as described in Section 2.2;
  - 3.1.2. Unscheduled projects, as described in Section 2.3; and
  - 3.1.3. Additional services, as described in Section 2.4.
- 3.2. Each quote shall include the following information listed separately:



- 3.2.1.** Specific project requirements;
    - 3.2.1.1.** For remedial measures, each quote shall detail the specific issue to be remedied and services to be performed.
  - 3.2.2.** Project plan and schedule;
  - 3.2.3.** Pricing for any material, equipment permits or other costs to be incurred on behalf of the City for the project including any taxes, shipping, and other incidental costs;
  - 3.2.4.** Hourly rates for all labor to be used during the project;
    - 3.2.4.1.** Contractor shall identify of any labor subject to prevailing wage requirements (including all job classifications).
  - 3.2.5.** DIR number for any subcontractors; and
  - 3.2.6.** Total not-to-exceed price.
- 3.3.** For projects valued at \$15,000 or less, the City shall review the submitted quote and, if there are no issues or concerns, provide written approval of the quote, which will serve as authorization for Contractor to begin work.
- 3.4.** Work Authorization Form
  - 3.4.1.** Projects exceeding a value of \$15,000 shall require a Work Authorization Form (Exhibit E) to be completed and approved in writing before work may begin.
  - 3.4.2.** The Work Authorization Form shall describe the services and deliverables (collectively “Work”) the Contractor shall provide, the time limit within which the Contractor must complete the Work, and the compensation for the Work.
  - 3.4.3.** The Work Authorization Form may only be authorized, in writing, by an Assistant Director of the Electric Utility, Electric Utility Chief Operating Officer, or Chief Electric Utility Officer.
  - 3.4.4.** Work Authorization Forms shall be executed in accordance with the terms and conditions of this Agreement.
- 3.5.** With the exception of emergency services, as defined in the Emergency Services section above, Contractor shall not initiate work without written approval from the Authorized City staff.
- 3.6.** City shall not be required to pay a deposit or any other form of pre-payment prior to the Contractor beginning work.
- 3.7.** Any work and/or materials requested by the City that exceeds the maximum compensation stated in this Agreement shall require the execution of an amendment prior to the commencement of work, and written authorization where applicable.

#### **4. SCHEDULE OF PERFORMANCE**

##### **4.1. General**

**4.1.1.** Contractor shall perform the required services during regular business hours (7:00 AM - 3:30 PM, Monday through Friday).

**4.1.2.** If the City requires services outside of regular business hours, Contractor shall provide to the City a quote for the required services (listing labor costs and parts/equipment costs separately). Contractor shall not begin work until the City has given written approval.

**4.2.** Operations and Maintenance (O&M) Field Activities shall be performed in accordance with the schedule listed in Appendix 1.

**4.3.** PHMSA gas pipeline O&M Task Compliance Activities shall be performed in accordance with the schedule listed in Appendix 2.

**4.4.** PHMSA gas pipeline O&M Task Construction/Repair Activities and Compliance shall be performed in accordance with the schedule listed in Appendix 3.

**4.5.** PHMSA gas pipeline Operator Qualification (OQ) Tasks and Compliance Activities shall be performed in accordance with the schedule listed in Appendix 4.

**4.6.** PHMSA Gas Pipeline IMP Field Activities, Compliance Activities, and Action Items shall be performed in accordance with the schedule listed in Appendix 5.

**4.7.** All other gas pipeline inspection, maintenance, and repair services shall be performed in accordance with a schedule approved by the City.

#### **5. DATABASE SOLUTION**

**5.1.** Contractor shall provide an online database solution for storing SVP's PHMSA documentation, training materials, and other required documentation, with their submitted response.

**5.1.1.** SVP will provide a list of required IMP procedures and documentation for PHMSA Gas IMP Inspection Protocols.

**5.2.** The online database solution shall allow SVP staff to easily access and store PHMSA documentation, training materials, and other required documentation.

**5.3.** SVP's PHMSA documentation, training materials, and other required documentation are currently stored in a database provided a third-party vendor. Contractor's database solution shall include the migration of SVP's current documentation from the current database to the new solution.

- 5.4. Contractor's database system shall store SVP's data in a non-proprietary format, such that the data may be easily retrieved and transferred to other systems as needed.

## **6. e-BUILDER**

- 6.1. Contractor shall utilize e-Builder for submission of data and documents throughout the term of this Agreement, as requested by the City.
- 6.1.1. e-Builder is a web-based construction management application hosted by e-Builder, Inc. For certain projects to be defined by the City, e-Builder shall be the primary means of project information submission and management or as otherwise agreed upon with the City.
- 6.2. The City will establish the Contractor's access to e-Builder by providing licenses to Contractor's personnel at City's cost. The Contractor's designated users will be required to set up their computers/systems to use e-Builder in accordance to the e-Builder User Training Guider-2015. The City reserves the right to limit the licenses issued to Contractor in the future.
- 6.3. Contractor is required to obtain all necessary training to use the software. The City will provide one classroom training or a web-based seminar. A training session is 1 - 2 hours.
- 6.4. e-Builder is a web-based environment and therefore it is subject to the inherent speed and connectivity limitations of the Internet. The Contractor is responsible for its own connectivity to the Internet. e-Builder's response time is dependent on the Contractor's equipment, including processor speed, Internet access speed, etc. and current traffic on the Internet. The City will not be liable for any delays associated from the usage of e-Builder including, but not limited to: slow response time, down time periods, connectivity problems, or loss of information. The Contractor shall ensure connectivity to the e-Builder system whether at the home office or job site. Under no circumstances will usage of e-Builder be grounds for a time extension or cost adjustment to the Contract.
- 6.5. Data entered in a collaborative mode (entered with the intent to share as determined by permissions and workflows within the e-Builder system) by the City and the Contractor will be jointly owned.
- 6.6. The Contractor is responsible for managing, tracking, and documenting the Work to comply with the requirements of this Agreement. The City's acceptance via automated system notifications or audit logs extends only to the face value of the submitted documentation and does not constitute validation of the Contractor's submitted information.
- 6.7. At the City's sole discretion, project documents may be processed and distributed digitally over the internet or may be required to be presented in hard copy format.

- 6.8.** While regular email may still be used for communication, when requested by the City, e-Builder shall be utilized as much as possible in connection with all document and information management required in the performance of projects where City has directed the use of e-Builder. Contractor shall be responsible for scanning or otherwise converting to electronic format all project submittals and Contractor correspondence, drawings, sketches, etc., and uploading them to the e-Builder web site and shall be responsible for the validity of its information placed in e-Builder. The Contractor shall utilize the existing forms and processes in e-Builder to the maximum extent possible. If a required form does not exist in e-Builder, the Contractor shall include a form of its own or one provided by the City (if available) as an attachment to a submittal or process. Documents and information to be submitted electronically include, but are not limited to:

**6.8.1.** Correspondence;

**6.8.2.** Meeting minutes;

**6.8.3.** Submittals and shop drawings;

**6.8.4.** Product data, reports, certifications, etc. must be submitted in PDF format. (If a sample is able to be scanned, it is requested a scanned PDF copy is submitted with the sample.);

**6.8.5.** Requests for Information (RFI's);

**6.8.6.** Change order requests and documentation, including copies of changes, and proposals;

**6.8.7.** Pay applications;

**6.8.8.** Official correspondence (such as letters) including informal correspondence, such as e-mail;

**6.8.9.** Pre-Task Plans (PTPs);

**6.8.10.** Daily construction reports and other daily reports including Contractor Quality Control (CQC) Reports;

**6.8.11.** Quality Control (QC) Documentation

**6.8.12.** All official reports, such as Commissioning reports;

**6.8.12.1.** Notices and claims;

**6.8.12.2.** Operations and maintenance manuals;

**6.8.12.3.** All close-out documents; and

**6.8.12.4.** All testing results.

- 6.9.** Archive Copies: When requested by City, Contractor shall keep an archive copy of all digital data created by Contractor, or submitted to Contractor via e-mail, or resident on the e-Builder for the duration of the Project. Such data shall be available to City, authorities with jurisdiction (including funding agencies or representatives) on demand.

- 6.10.** Should the City replace e-Builder with a different project management tool, Contractor, and subcontractors, shall be required to utilize the new project management tool selected by the City.

## **7. REPORTING AND DOCUMENTATION**

- 7.1.** Contractor shall provide regular status updates on services performed during the term of the Agreement. Depending on work activity, status updates may be required daily, weekly, or monthly at the direction of the City.
- 7.2.** Contractor shall provide weekly cost and schedule updates during each project.
- 7.3.** At the end of each project, Contractor shall provide a complete report with any redlines to SVP's drawings, photo evidence, modifications, recommendations and a narrative of the work completed.
- 7.4.** At the end of each project, Contractor shall also provide as-built drawings identifying any changes including source of authorization for change.

## **8. STAFFING REQUIREMENTS**

- 8.1.** Contractor shall be solely responsible for selecting, hiring, employing, paying, supervising, training and discharging all personnel necessary for the efficient inspection, maintenance, and repair of the pipeline system.
- 8.2.** Contractor shall ensure the following employment standards for all employees (including subcontractors) are complied with and enforced throughout the term of the contract.
- 8.2.1.** United States of America citizenship or verified legal alien status.
- 8.2.2.** At least eighteen (18) years of age.
- 8.2.3.** Sufficiently fluent in English to: (a) comprehend the instructions of Contractor personnel; (b) offer the level of customer service established by the Manager; (c) understand the safety and operating instructions on any equipment used; and (d) communicate with emergency personnel during emergencies;
- 8.2.4.** No known criminal background or record of conviction for other than minor vehicle code/traffic violations. Valets (if applicable) shall have clean driving records without recent moving violations within the last 3 years.
- 8.2.5.** Possession of a current, valid U.S. driver's license permitting operation of a two-axle vehicle.
- 8.2.6.** Ability to perform normal or emergency duties requiring moderate to arduous physical exertion.

- 8.3.** Contractor shall employ only competent craftsmen/skilled workers who are appropriately trained and licensed to perform the required services.
- 8.4.** Contractor shall be responsible for understanding and complying with any training and licensing required for the performance of the services described in this Exhibit A, including but not limited to, DOT requirements for commercial driver's license and required drug testing if applicable.
- 8.5.** The City may request verification of the assigned employees' qualifications at any time. Contractor shall promptly provide such verification upon request by the City.
- 8.6.** Contractor shall ensure that all its employees and agents abide by established local, state and federal safety rules and regulations.
- 8.7.** Contractor's employees and any subcontractors shall supply proper identification when requested by the City.
- 8.8.** Contractor shall select and hire only persons who are well-qualified to perform the job duties for which they are being hired, who are neat, well-groomed, and courteous, and who can act in the utmost professional manner when interacting with City staff and the general public.
- 8.9.** Classification and Duties of Employees
  - 8.9.1.** The Contractor shall include the classifications of employee positions and the duties of each position. Classifications may include, but are not limited to:
    - 8.9.1.1.** Project Manager/General Manager: Responsible for the day-to-day management and supervision of the required services. On-site responsibilities shall also include, but not be limited to, correcting problems, managing conflicts and complaints, and overseeing work schedules, personnel, and equipment requirements. If the Project Manager/General Manager is off-site or otherwise unable to give direction to Contractor's employees (including subcontractors), the City may give directions to the personnel until the Project Manager/General Manager returns.
    - 8.9.1.2.** Foreman: Oversees field activities and repairs.
    - 8.9.1.3.** Technical/Field Personnel: Performs the required pipeline inspection, maintenance and repair services.
    - 8.9.1.4.** Administrative Personnel: Assists in the administration and reporting of the required services.
  - 8.9.2.** Contractor shall inform the City immediately of any change in key personnel assigned to this project.

**8.9.2.1.** Contractor shall submit the resumes and other qualifications of the proposed replacement employee(s) to the City for review and approval.

**8.9.2.2.** The City shall not unreasonably withhold approval.

**8.10.** The City reserves the right to request the removal of any Contractor employee(s) who does not conduct themselves in a courteous, professional manner, or whose actions endanger the safety of people or property. The Contractor shall promptly respond to requests for replacement personnel.

## **9. SUBCONTRACTORS**

The City has authorized Contractor to subcontract with the following vendors.

**9.1.** Dick Brown Technical Services;

**9.2.** FJ Technologies; and

**9.3.** TD Williamson.

## **10. EMPLOYEE TRAINING**

**10.1.** Contractor shall train all employees (including subcontractors) assigned to perform the required services.

**10.2.** Contractor's employee training shall be at no cost to the City.

**10.3.** Contractor shall ensure that all employees (including subcontractors) who will be involved in the performance of services for the City understand how to safely inspect, maintain, and repair the gas pipeline system as required for their respective positions.

**10.4.** Contractor shall review its training procedures annually, and shall any revisions in writing to the City.

**10.5.** Contractor shall provide ongoing training at least once per year. Contractor shall ensure that all assigned employees attend this annual training.

## **11. PROFESSIONAL BEHAVIOR**

**11.1.** Contractor shall be responsible for the conduct, demeanor and appearance of its employees while on or about the job site or while acting in the course and scope of employment.

**11.2.** Contractor's employees shall be neat and clean, and shall act in a courteous and professional manner. No employee shall use improper language or act in a loud, offensive, or otherwise improper manner.

**11.3.** Contractor's employees shall be trained as to the requirements of their positions and the importance of performing their jobs according to the City's instructions.

- 11.4. Contractor's employees shall be all times polite and courteous in their dealings with City staff and members of the public, treating them with patience and respect.
- 11.5. Contractor's employees shall speak clearly and in a professional manner while interacting with members of the public, offering the assistance needed by each person.
- 11.6. Contractor shall submit any complaints received against it to the City immediately.

## **12. SAFETY**

- 12.1. Contractor, its employees, and any subcontractors shall always act in a safe manner while on City property.
- 12.2. Contractor shall be responsible for creating a safe work environment for all personnel and City employees as well as for traffic control at the job site.
- 12.3. Contractor's safety provisions shall be in accordance with all applicable federal, state, county, and local laws, ordinances and codes.
- 12.4. Contractor shall be responsible for remaining up to date on all applicable federal, state, county, and local laws, ordinances and codes in the event they are amended. Where any amended applicable laws or ordinances are in conflict with the City's requirements, the more stringent requirement(s) shall be followed. Contractor's failure to be thoroughly familiarized with the safety provisions shall not relieve Contractor from compliance with the obligations and penalties resulting therefrom.
- 12.5. Contractor shall provide and maintain an Injury and Illness Prevention Program (IIPP) pursuant to Title 8, Section 3203 of the California Administrative Code. The program shall include, but not be limited to, a safety training program instructing Contractor's employees in general safe work practices and shall include specific instructions with regard to hazards unique to the employee's job assignment. A copy of the Contractor's IIPP shall be submitted to the City, and be made available on-site upon request.
- 12.6. Contractor shall schedule periodic safety inspections to identify and correct unsafe conditions and work practices. The City reserves the right to accompany Contractor during these inspections.
- 12.7. Contractor's employees (including any subcontractors) shall not use or possess alcohol, narcotics, firearms, or drugs of any nature other than medical (for which the Contractor's employee has a current doctor's prescription) on City property and while performing services for the City. Employees using prescribed medication will not engage in any work if the medication can potentially impair the employee's ability to perform the work safely.
- 12.8. Contractor's employees (including any subcontractors) shall utilize appropriate Personal Protective Equipment (PPE) and Fire Resistant (FR)



clothing, as required. Contractor shall provide the required PPE and FR clothing at its own expense.

- 12.9.** Contractor shall provide work and traffic signage as required to warn pedestrians and vehicular traffic of work in progress. Contractor may be required to direct pedestrians and traffic around the work area. Contractor shall also be responsible for providing all equipment and personnel necessary to properly perform the traffic control measures, including but not limited to, flaggers, cones, reflectors, and electronic signs.
- 12.10.** Contractor shall immediately remove any personnel who is acting in an unsafe or dangerous manner.
- 12.11.** Contractor shall notify the City immediately in event of an injury or property damage that occurs during the performance of the services described in this Exhibit A. Contractor shall investigate the reported injury or damage upon request from the City, and provide the City with regular updates until the investigation is resolved. The City reserves the right to perform its own investigation. Should the City choose to conduct its own investigation, Contractor shall assist the City as required.

### **13. TOOLS AND EQUIPMENT**

- 13.1.** Contractor is responsible for identifying all tools and equipment necessary to perform work. The City will not loan tools or equipment to the Contractor.
- 13.2.** All equipment shall be operated and well-maintained in a satisfactory condition at all times and in compliance with state and federal regulations including, but not limited to, the Occupational Safety and Health Administration (OSHA).
- 13.3.** The City may suspend work where they observe that proper tools and equipment are not being used.

### **14. WORKMANSHIP**

- 14.1.** Contractor shall perform the required services in an environmentally responsible manner.
- 14.2.** Contractor shall assume full responsibility for the protection and safekeeping of material and tools stored at the site, and shall lock all Contractor vehicles when parked and unattended, to prevent unauthorized use. Contractor shall not leave vehicles or equipment unattended with the motor running or the ignition key in place.
- 14.3.** Contractor shall take all necessary precautions to protect City and private property from damage during the performance of the required services. Contractor shall be responsible for the repair of any property damaged during the performance of services. Damage to City property that cannot be repaired shall be replaced at the Contractor's sole expense, prior to

issuance of payment to the Contractor by the City. Any expenses incurred by the City to repair property damage will be deducted from the Contractor's compensation.

- 14.4.** Contractor will make all reasonable efforts to minimize obstructions and inconvenience to private property owners. These efforts may include, but not be limited to, rescheduling work at a property owner's request, and removing all waste in a timely manner.
- 14.5.** Contractor will make all reasonable efforts to minimize obstructions and inconvenience to public traffic. Contractor shall comply with all City, County, and State traffic control requirements, including the State of California Manual of Traffic Controls for Maintenance and Work Zones, most current version (Part 6 of California Manual of Uniform Traffic Control Devices), including all revisions.
- 14.6.** Contractor shall keep their work site(s) free from all surplus material, waste material, dirt and rubbish caused by Contractor's performance of services.
- 14.7.** Contractor shall leave the work site in a neat and orderly condition. All clean-up work will be done to the satisfaction of the City, and at the sole expense of Contractor.
- 14.8.** Upon the end of the workday, or suspension of work, Contractor shall remove all equipment and obstructions from any property typically open for use by public traffic. Any incomplete work shall be secured in a manner that does not present a hazard to the City or public.
- 14.9.** The City shall have the right to inspect any work performed by the Contractor and any subcontractors. Should the City determine upon inspection any unsatisfactory or defective work, the Contractor shall immediately correct the work at no additional cost to the City.
- 14.10.** The City shall not perform any work for Contractor except in an emergency situation or as determined necessary by the City such as, but not limited to adequately protect the City's electrical or other facilities or to restore work area to a safe condition. The City will be reimbursed for any work done for the Contractor (deduction from the Contract or invoice to Contractor at the sole discretion of the City). This will include all costs (direct straight time or overtime wages, all overhead, administration, engineering, vehicle, and equipment costs).

## **15.WARRANTY**

- 15.1.** Manufacturer's warranty shall apply to all parts.
- 15.2.** Labor shall be warranted for twelve (12) months from the date of repair.
- 15.3.** Contractor correct any deficiencies and/or errors in Contractor's work discovered during the warranty period, at no cost to the City.

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX 1  
Operations & Maintenance (O&M) Task Field Activities**

Frequency Legend:

1x/yr<sup>1</sup> = Once per calendar year, not to exceed 15 months

2x/yr<sup>2</sup> = Twice per calendar year, not to exceed 7 ½ months;

4x/yr<sup>3</sup> = Four times per calendar year, not to exceed 4 ½ months;

AR = As required;

1x/yr<sup>5</sup> = Once per calendar year;

6x/yr<sup>7</sup> = Six times per calendar year, not to exceed 2 ½ months

Item #	Pipeline Task Description [192 Regulation]:	Frequency	Regulation 49 CFR
	<b><i>Ongoing O&amp;M:</i></b>		
1.	Patrols (class 3)	2x/yr <sup>2</sup>	192.705
2.	Critical Crossings Inspection (class 3)	4x/yr <sup>3</sup>	192.705
3.	Leak Survey with Instrument (class 3)	2x/yr <sup>2</sup>	192.706
4.	Emergency Valve Inspection	1x/yr <sup>1</sup>	192.745
5.	Test Pressure Relief Valve	1x/yr <sup>1</sup>	192.739
6.	Atmospheric Corrosion Inspection	1x/yr <sup>5</sup>	192.481
7.	Test Gas for Corrosive Properties	1x/yr <sup>5</sup>	192.477
8.	Pipe to Soil (Cathodic Protection (CP) Survey)	1x/yr <sup>1</sup>	192.465(b)
9.	Rectifier Inspection & Readings	6x/yr <sup>7</sup>	192.465(b)
10.	Class Location Study	1x/yr <sup>5</sup>	192.609
	<b><i>Event Driven O&amp;M Items:</i></b>		
11.	One-Call Processing, Marking, Onsite Standby if Pipeline Exposed	AR	192.614
12.	External Exposed Pipe Report Inspections	AR	192.459
13.	Internal Exposed Pipe Report	AR	192.475(b)
14.	Maintain Pipeline Markers	AR	192.707
15.	Maintain Warning Signs	AR	192.751
16.	Emergency Valves Protection from Tampering or Vandalism	AR	192.179

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX 2  
Operations and Maintenance (O&M) Task Compliance Activities**

Frequency Legend:

AR = As required;

Ongoing = Maintain without interruption

1x/yr<sup>4</sup> = Due by March 15<sup>th</sup> for previous calendar year

1x/yr<sup>5</sup> = Once per calendar year

1x/2yr = Once every two years

1x/3yr = Once every three years

1x/4yr = Once every four years

Item #	Pipeline Task Description [192 Regulation]:	Frequency	Regulation 49 CFR
	<b><i>Ongoing O&amp;M Compliance Items:</i></b>		
1.	Update Cathodic Protection (CP) Maps	1x/yr <sup>5</sup>	192.491(a)
2.	Update Construction Maps and Records	1x/yr <sup>5</sup>	192.603(b)
3.	O&M Procedures Review	1x/yr <sup>1</sup>	192.605(a)
4.	PHMSA Annual Report	1x/yr <sup>4</sup>	191.17
5.	Review Work Performed by Operator	1x/yr <sup>5</sup>	192.605(b)(8)
6.	Relief Valve Capacity Review	1x/yr <sup>5</sup>	192.743
7.	Continuing Surveillance Review	1x/yr <sup>5</sup>	192.613
8.	Government Liaison Meeting	1x/yr <sup>5</sup>	192.614
9.	Maintain List of Excavators	1x/yr <sup>5</sup>	192.614
10.	Member of "One-Call" dig alert in California	Ongoing	192.614
11.	Public Awareness Mailers to Residents	1x/2yr	192.616
12.	Public Awareness: Mailers to Excavators	1x/yr <sup>5</sup>	192.616
13.	Public Awareness: Mailers to Emergency Responders	1x/yr <sup>5</sup>	192.616
14.	Public Awareness: Mailers to Public Officials	1x/3yr	192.616
15.	Public Awareness Surveys Results & Conclusions - Residents	1x/4yr	192.616

Item #	Pipeline Task Description [192 Regulation]:	Frequency	Regulation 49 CFR
16.	PA Surveys Results & Conclusions – Excavators	1x/4yr	192.616
17.	Public Awareness Surveys Results & Conclusions – Emergency Responders	1x/4yr	192.616
18.	Public Awareness Surveys Results & Conclusions - Public Officials	1x/4yr	192.616
19.	Public Awareness Program Self-Assessment	1x/yr <sup>5</sup>	192.616
	<b><i>Drug Plan and Testing Items:</i></b>		
1.	SVP and Contractor Drug Plan & Procedures	1x/yr <sup>5</sup>	199
2.	SVP and Contractor Records of Random Drug Testing	1x/yr <sup>5</sup>	199
3.	Sub-Contractor Drug Plan & Procedures	1x/yr <sup>5</sup>	199
4.	Sub-Contractor Records of Random Drug Testing	1x/yr <sup>5</sup>	199
5.	Post-Accident Drug Testing Records	AR	199
	<b><i>Emergency Response Items:</i></b>		
1.	Pipeline Emergency Procedures Review	1x/yr <sup>1</sup>	192.605(a)
2.	Emergency Drill or Training & Verify Effectiveness	1x/yr <sup>5</sup>	192.615(b)(2)
3.	Verify Qualification of Emergency Contractor	1x/yr <sup>5</sup>	Emergency Plan
4.	Documentation of OSHA Hazardous Waste Operations (Hazwoper) 8 Hour Refresher	1x/yr <sup>5</sup>	29 CFR 1910.120
5.	Emergency Activity Review After an Emergency Event	AR	192.615(b)(3)
	<b><i>Event Driven O&amp;M Compliance Items:</i></b>		
1.	Verify Maximum Allowable Operating Pressure (MAOP) if Class Location Changes	AR	192.611
2.	Telephonic Reports to Nuclear Regulatory Commission (NRC)	AR	191.5
3.	Incident Report	AR	191.15
4.	Safety Related Condition Report	AR	191.23
5.	Abnormal Operations Report	AR	192.605(c)
6.	Failure Investigation Report	AR	192.617
7.	Conversion of Service Report	AR	192.14
8.	Abandonment Report	AR	192.727

Item #	Pipeline Task Description [192 Regulation]:	Frequency	Regulation 49 CFR
9.	Pressure Testing Report	AR	192.501-517

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX 3  
Operations and Maintenance (O&M) Task Construction/Repair Compliance  
Activities**

Legend:

AR = As required;

<b>Item #</b>	<b>Pipeline Task Description [192 Regulation]:</b>	<b>Freq.</b>	<b>Regulation 49 CFR</b>
	<b><i>Event Driven Construction/Repair O&amp;M Compliance Items:</i></b>		
1.	Test Results to Qualify Welding Procedures	AR	192.225
2.	Welder re-qualification	AR	192.227
3.	Visual Weld Inspector Training/Experience	AR	192.241(a)
4.	Non-Destructive Testing (NDT): Procedures	AR	192.243(c)
5.	NDT: Total Number of Girth Welds	AR	192.243(f)
6.	NDT: Number of Welds Inspected by NDT	AR	192.243(f)
7.	NDT: Number of Welds Rejected	AR	192.243(f)
8.	NDT: Disposition of Each Rejected Weld	AR	192.243(f)
9.	Underground Clearance Distance	AR	192.325
10.	Pressure Testing	AR	192.517
11.	Upgrading	AR	192.553(b)
12.	Prevention of Accidental Ignition	AR	192.751
13.	Welding Procedures	AR	192.225(b)
14.	Welding Qualification	AR	192.227 & 229
15.	Pipeline Repair	AR	192.709
16.	New System Design Evaluation to Minimize Internal Corrosion	AR	192.476(c)

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX 4  
Operator Qualification (OQ) Compliance Activities**

**Legend:**

Ongoing = Maintain without interruption

1x/yr<sup>1</sup> = Once per calendar year, not to exceed 15 months

1x/3yr = Once every three years

<b>Item #</b>	<b>Pipeline Task Description [192 Regulation]:</b>	<b>Freq.</b>	<b>Regulation 49 CFR</b>
	<b><i>Ongoing OQ Compliance Items:</i></b>		
1.	Provide OQ Records via Online System Available to SVP Using Password Protection	Ongoing	192.801-809 PHMSA protocols
2.	Provide Sub-Contractor Records via Online System Available to SVP Using Password Protection	1x/3yr	192.801-809 PHMSA protocols
3.	Review and Update OQ Plan	1x/yr <sup>1</sup>	192.801-809 PHMSA protocols
4.	Train SVP Employees as Needed to Maintain Qualifications	1x3yr	192.801-809 PHMSA protocols
5.	Operate Pipeline on Daily Basis Only Using Qualified Personnel	Ongoing	192.801-809 PHMSA protocols



**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX 5**

**Summary of Integrity Management Plan (IMP) Compliance Activities**

Legend:

1x/yr<sup>6</sup> = Once per calendar year, not to exceed 18 months

<b>Item #</b>	<b>Pipeline Task Description [192 Regulation]:</b>	<b>Freq.</b>
	<b><i>Summary of Ongoing IMP Compliance Items:</i></b>	
1.	Element #1: Identification of High Consequence Areas (HCA)	1x/yr <sup>6</sup>
2.	Element #2: Identification of Threats, Data Integration, and Risk Analysis	1x/yr <sup>6</sup>
3.	Element #3: Baseline Assessment	1x/yr <sup>6</sup>
5.	Element #4: Direct Assessment	1x/yr <sup>6</sup>
6.	Element #5: Remediation and Repair	1x/yr <sup>6</sup>
6.	Element #6: Continual Evaluation and Assessment	1x/yr <sup>6</sup>
7.	Element #7: Confirmatory Direct Assessment	1x/yr <sup>6</sup>
8.	Element #8: Preventive and Mitigating Measures	1x/yr <sup>6</sup>
9.	Element #10: Record Keeping	1x/yr <sup>6</sup>
10.	Element #11: Management of Change	1x/yr <sup>6</sup>
11.	Element #12: Quality Assurance	1x/yr <sup>6</sup>
12.	Element #13: Communication Plan	1x/yr <sup>6</sup>
13.	Element #14: Agency Notification	1x/yr <sup>6</sup>
14.	Element #15: Environment and Safety	1x/yr <sup>6</sup>

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC  
EXHIBIT B  
SCHEDULE OF FEES AND PAYMENT PROVISIONS**

**1. MAXIMUM COMPENSATION**

- 1.1. The maximum amount of compensation to be paid to Contractor during the Initial Term shall not exceed Three Million One Hundred Eighty-Six Thousand Nine Hundred Dollars (\$3,186,900). City shall pay Contractor in accordance with the rates listed in Table B1- Maximum Compensation below.

**Table B1 – Maximum Compensation**

<b>Description</b>	<b>Cost</b>
Fixed Costs	\$636,900
Event-Driven Services, Unscheduled Projects, and Additional Services, emergency services	\$2,550,000
<b>GRAND TOTAL</b>	<b>\$3,186,900</b>

- 1.2. Any work or materials requested by the City that exceeds the Maximum Compensation within each category shall require the execution of an amendment to this Agreement before the commencement of work.

**2. FIXED COSTS**

- 2.1. City shall pay Contractor a fixed cost of \$127,380 annually for completed gas pipeline compliance, inspection, maintenance, and repair services. The fixed cost shall be paid to Contractor in monthly installments. The fixed costs includes all overhead, management, profit, Contractor employee training, software, travel, administrative costs, and any other expenses not excluded.
- 2.2. The annual fixed costs are shown in Table B2 below.

**Table B2 Annual Fixed Costs**

<b>Description</b>	<b>Cost</b>
Year 1	\$127,380
Year 2	\$127,380*

Year 3	\$127,380*
Year 4	\$127,380*
Year 5	\$127,380*
<b>GRAND TOTAL</b>	<b>\$636,900*</b>

\*subject to annual adjustment

3. Event-driven services, unscheduled projects, and additional services (with the exception of emergencies) shall be quoted and authorized in accordance with Exhibit A Section 3.
  - 3.1. City shall pay Contractor for completed event-driven services, unscheduled projects, and additional services in accordance with the rates listed in Appendix B-1.
  - 3.2. The City has identified the following unscheduled projects that may be completed at a later time. The projects and estimate cost for each are shown in Table B3 below.

**Table B3 – Unscheduled Projects**

<b>Description</b>	<b>Estimated Cost</b>
6-inch Gas Pipeline Major Inspection	\$450,000
12-inch Gas Pipeline Major Inspection	\$550,000
Anode Replacement Project	\$142,200
Gas Inlet Filter / Scrubber Project	\$250,000
ECDA Compressor Piping	\$20,000

- 3.3. The total compensation paid to Contractor for event-driven services, unscheduled projects, and additional services shall not exceed \$2,550,000 during the Initial Term, unless authorized through an executed amendment to this Agreement.

#### **4. REIMBURSABLE EXPENSES**

- 4.1. Contractor may submit invoices for reimbursement of expenses set forth below, subject to the following conditions.
- 4.2. Expenses shall be reimbursable only to the extent that the Contractor submits sufficient documentation to the City that the expenses were directly incurred in providing the required gas pipeline services.
- 4.3. The following expenses shall be reimbursable by the City.

- 4.3.1.** Travel-related expenses (mileage, lodging, meals, etc.);
  - 4.3.1.1.** Unless approved in writing (e-mail acceptable) in advance, meals, lodging, and related Per Diem shall not exceed the rates outlined by United States General Services Administration (GSA).  
<https://www.gsa.gov/travel-resources>
  - 4.3.1.2.** The City shall not reimburse local travel (within Santa Clara County).
- 4.3.2.** The rental of any specialized equipment to the extent the City has preapproved, in writing, the cost of such rental.
- 4.3.3.** The cost of mailing, shipping and/or delivery of any documents or materials on behalf of the City.
- 4.3.4.** Any other expenses expressly identified as being reimbursable.
- 4.4.** Except as specified above, the City will reimburse these expenses at actual cost only.

## **5. INVOICING**

- 5.1.** Contractor shall submit an invoice to the City monthly, in arrears, for payment for services performed the previous month, pursuant to this Agreement.
- 5.2.** Each invoice shall include the task costs for the previous month.
- 5.3.** If the City disputes an expense in an invoice, the City may deduct the disputed expense from the payment of that invoice, provided that the City submits to the Contractor a written explanation of why the expense is being disputed.

## **6. PAYMENT TO CONTRACTOR**

- 6.1.** The City shall review the invoice submitted by Contractor and shall notify Contractor of any discrepancies or deficiencies in said invoice.
- 6.2.** 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.

## **7. RENEWAL PERIOD COMPENSATION**

- 7.1.** Pursuant to Section 2.B of this Agreement, the City reserves the right to extend the term of this Agreement for five (5) additional one-year terms ("Option Periods") for gas pipeline compliance, inspection, maintenance and repair services.

- 7.2.** Contractor may request adjustments to the compensation rates on the one-year anniversary date of the Agreement during the term of the Agreement, including option periods.
  - 7.2.1.** The Contractor must demonstrate to the satisfaction of the City that a price increase is warranted.
  - 7.2.2.** City approval or denial of the requested rate adjustment will be provided in writing (e-mail acceptable).
  - 7.2.3.** Rate adjustments may be requested no more than once per calendar year.

**AGREEMENT FOR SERVICES**  
**between the**  
**CITY OF SANTA CLARA, CALIFORNIA,**  
**and**  
**ENERGY PROJECT SOLUTIONS, LLC**

**APPENDIX B-1 HOURLY RATES**



Certified Small Business #2000585

**Energy Project  
Solutions LLC  
Charge Rate  
Schedule for 2020:**

Description of Service:	Standard Rate:
Pipeline Management, Project Permitting, Environmental & Safety Consulting (COO)	\$125/hr – General. \$150/ hr - Audits \$125/hr GIS
Admin/ GIS/ Pipeline Technician	\$85/ hr
Business Travel Mileage or Cost of Rental Car and Gasoline	(IRS current rate)
Business Lodging	2020 Per Diem Rates for San Jose, California
Business Meals	2020 Meals and Incidentals for San Jose, California
Office Supplies & Misc. Materials	At cost plus 10%
Oversight and management of sub-contractors	Cost plus 10%



## ***Fee Schedule***

***Effective January 1, 2020***

---

<u><i>Description</i></u>	<u><i>Rate/Hour</i></u>
<i>Principal, Field Engineer, Project Manager</i>	<i>\$120.00</i>
<i>Senior Designer (office)</i>	<i>\$120.00</i>
<i>Cathodic Protection Technician</i>	<i>\$110.00</i>

### *Reimbursable Expenses*

<i>Subsistence (Meals, Lodging, Misc. Items)</i> <i>10%</i>	<i>Cost +</i>
<i>Travel (Airfare, Automobile Rental, Taxi service)</i> <i>10%</i>	<i>Cost +</i>
<i>Supplies (Plots, faxes, telephone, copies)</i> <i>10%</i>	<i>Cost +</i>
<i>Mileage</i> <i>mile</i>	<i>\$0.585/per</i>

*All travel requiring overnight stays will be billed a minimum of 12 hours per day from portal to portal.*

**All invoices are due within 10 days of invoice date and are subject to penalty for late payment.**





**DICK BROWN'S TECHNICAL SERVICE**

**DBTS Price Schedule March 23, 2020**

DOT Compliance Advisor/Consultant .....	\$125.00 per hour
Foreman .....	\$85.00 per hour
Pipeliners/Underground Service Alert Services....	\$75.00 per hour
Certified Welder (including truck.....)	\$179.00 per hour
Welder's Helper .....	\$127.00 per hour
Instrument Technician I.....	\$85.00 per hour
Instrument Technician II .....	\$75.00 per hour
Pipefitter .....	\$75.00 per hour
Roustabout/Pipefitter Helper .....	\$60.00 per hour
Roustabout/General Laborer .....	\$50.00 per hour
Production Operator .....	\$90.00 per hour
S.C.B.A./Confined Space Technician .....	\$150.00 per hour
Pipeline Locator Technician.....	\$75.00 per hour
Leak Survey Technician.....	\$75.00 per hour
½ Ton Pickup .....	\$16.00 per hour
1-Ton Tool Truck w/Boom .....	\$23.00 per hour
1-Ton Tool Truck .....	\$19.00 per hour
2 Axle Trailer* .....	\$100.00 per day
Mileage (portal to portal) .....	\$.54 per mile
Air Compressor 185 CFM Rental .....	\$250.00 per day

Metrotech 850 Line Locator.....	\$75.00 per day
Tinker & Rasor Pipeline Holiday Detector .....	\$75.00 per day
Flame Pak Leak Detector.....	\$75.00 per day
Confined Space Entry Equipment.....	\$400.00 per day
Hi Pressure Washer.....	\$75.00 per day
500 Gallon Water Trailer .....	\$100.00 per day
Hand held Weed Eater .....	\$75.00 per day
Gas Powered Auger	\$85.00 per day

Natural Gas Analysis (delivered to office)	\$ 95.00 per analysis
--------------------------------------------	-----------------------

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC  
EXHIBIT C  
INSURANCE REQUIREMENTS**

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

**A. COMMERCIAL GENERAL LIABILITY INSURANCE**

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:
  - \$2,000,000 each occurrence
  - \$2,000,000 General aggregate
  - \$2,000,000 Products/Completed Operations aggregate
  - \$2,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
  - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
  - b. There shall be no cross-liability exclusion which precludes coverage for claims or suits by one insured against another; and
  - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

**B. BUSINESS AUTOMOBILE LIABILITY INSURANCE**

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than

one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

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

#### C. WORKERS' COMPENSATION

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

#### D. PROFESSIONAL LIABILITY

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

## E. COMPLIANCE WITH REQUIREMENTS

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

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. General Aggregate. The general aggregate limits shall apply separately to Contractor's work under this Agreement providing coverage at least as broad as Insurance Services Office (ISO) Endorsement CG 2503, 1985 Edition, or insurer's equivalent (CGL);
4. Cancellation.
  - a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
  - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
5. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the

description of required insurance set forth in Sections A through D of this Exhibit C, above.

#### F. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

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

#### G. EVIDENCE OF COVERAGE

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

#### H. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement.

Upon City's request, Contractor shall submit to City copies of the actual 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

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

#### I. 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.

**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**EXHIBIT D  
NOTICE OF EXERCISE OF OPTION TO EXTEND AGREEMENT**

<b>AGREEMENT TITLE:</b>	
<b>CONTRACTOR:</b>	
<b>DATE:</b>	

*(Date the notice is sent must be consistent with the time for exercise set forth in Agreement)*

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

<b>OPTION NO.</b>	<b># of #</b>
-------------------	---------------

**NEW OPTION TERM**

Begin date:	
End date:	

☐ **CHANGES IN RATE OF COMPENSATION**

Percentage change in CPI upon which adjustment is based:	
----------------------------------------------------------	--

Pursuant to Section \_\_\_ of the Agreement the rates of compensation are hereby adjusted as follows:

*(use attachment if necessary)*

<b>MAXIMUM COMPENSATION for New Option Term:</b>	
--------------------------------------------------	--

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

Dated: \_\_\_\_\_

Approved as to Form: \_\_\_\_\_

\_\_\_\_\_  
BRIAN DOYLE  
City Attorney

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



**AGREEMENT FOR SERVICES  
BETWEEN THE  
CITY OF SANTA CLARA, CALIFORNIA,  
AND  
ENERGY PROJECT SOLUTIONS, LLC**

**EXHIBIT E – WORK AUTHORIZATION FORM**

This Work Authorization Form is issued by the City of Santa Clara acting by and through its **Electric Utility, Silicon Valley Power** (the “Department”) to the contractor listed below. This Work Authorization Form shall constitute a binding legal contract between the Department and Contractor pursuant to the terms of the Agreement referenced in this Authorization. All services shall be using the terms and rates included in the Agreement. In the event of any inconsistency between this Work Order and the Terms and Conditions of the Agreement, the Terms and Conditions of the Agreement shall govern and control.

**PART A: GENERAL INFORMATION**

Work Order No.:		<input type="checkbox"/> Original <input type="checkbox"/> First Revised <input type="checkbox"/> Second Revised <input type="checkbox"/> Other _____
Contract No.		
Contractor Name/Address:		
Agreement Name:		
Expiration Date of Agreement:		
Contractor's Project Manager:	Name:	Email:
City's Project Manager	Name:	Email:
Period of Performance for this Work Order:	Start Date:	Expected Completion Date:
Maximum Work Order Compensation:		
Previously Committed Contingency Funds		
Available Contingency Funds		
Sufficient funds are available in Fund #: (to be completed by City)		
Contractor Name [Print]:		
Contractor Signature	Date	
City Project Manager (Print):		
City Project Manager Signature	Date	
Authorized City Representative Name [Print]*:		
Authorized City Representative Signature	Date	
<i>* Authorized City Representatives include Electric Utility Assistant Director, Chief Electric Utility Operating Officer, Chief Electric Utility Officer</i>		

## **PART B: SERVICES TO BE PERFORMED**

### **1. REVISED WORK ORDER**

- ☐ No
- ☐ If yes, provide a brief description of the change(s).

### **2. SCOPE OF WORK TO BE PERFORMED**

The Contractor shall perform the service(s) described below in accordance with all of the Terms and Conditions of the Agreement. (Insert a detailed scope of work below or attach as a separate file.)

### **3. COMPENSATION**

a. **Basis of Compensation:** ☐ Time & Materials ☐ Fixed Fee

b. **Reimbursable Expenses:**

- ☐ No expenses are reimbursable.
- ☐ Expenses are separately reimbursable in the maximum amount of:
- \_\_\_\_\_

c. **Payment Schedule:**

☐ Monthly ☐ Completion of Deliverable/Milestone ☐ Completion of Work

**d. Payment Terms.** Provide payment terms below or attach as a separate file.

## EXHIBIT F – LABOR COMPLIANCE ADDENDUM



### LABOR COMPLIANCE ADDENDUM

<b>Agreement Name:</b>	Agreement for Services Between the City of Santa Clara, California and Energy Project Solutions, LLC
<b>CONTRACTOR (Supplier) Name and Address</b>	Energy Project Solutions, LLC 841 Mohawk Street, Suite 120 Bakersfield, CA 93309

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](http://www.dir.ca.gov), 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](http://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. Contractor shall submit certified payroll through LCPTTracker 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 records 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 who fail to register and maintain their status as a public works contractor shall not be permitted to

perform work on the project.

10. Should any contractor or subcontractors not be a registered public works contractor and perform work on the project, Contractor agrees to fully indemnify the City for any fines assessed by the California Department of Industrial Relations against the City for such violation, including all staff costs and attorney's fee relating to such fine.
11. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

## **B. AUDIT RIGHTS**

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

## **C. ENFORCEMENT**

1. City shall withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et seq., City may continue to hold sufficient funds to cover estimated wages and penalties under the Agreement.
2. Based on State funding sources, this project may be subject to special labor compliance requirements of Proposition 84.
3. The City is not obligated to make any payment due to Contractor until Contractor has performed all of its obligations under these provisions. This provision means that City can withhold all or part of a payment to Contractor until all required documentation is submitted. Any payment by the City despite Contractor's failure to fully perform its obligations under these provisions shall not be deemed to be a waiver of any other term or condition contained in this Agreement or a waiver of the right to withhold payment for any subsequent breach of this Addendum.
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.

City

Contractor (Supplier)

By \_\_\_\_\_  
Name:  
Title:  
Date:

By  \_\_\_\_\_  
Name: Michael Finch  
Title: President  
Date: 3/23/2021