

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.13
(ID # 16958)**

MEETING DATE:
Tuesday, August 02, 2022

FROM : FACILITIES MANAGEMENT AND RIVERSIDE UNIVERSITY HEALTH SYSTEM :

SUBJECT: FACILITIES MANAGEMENT (FM) AND RIVERSIDE UNIVERSITY HEALTH SYSTEM: Riverside University Health System Cogeneration Plant Maintenance Agreement - California Environmental Quality Act Exempt, Preliminary Budget, Execute the Maintenance Agreement with GI Energy without Seeking Competitive Bids for Five Years from First Day of Service, District 5. [\$2,713,000, 100% RUHS Enterprise Fund 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Riverside University Health System Cogeneration (RUHS Cogen) Plant Maintenance Agreement is exempt from the California Environmental Quality Act (CEQA) under Section 15301 and Section 15061 of the State CEQA Guidelines;
2. Approve a preliminary budget in the amount not to exceed of \$2,713,000 for the RUHS Cogen Plant Maintenance Agreement, to provide service and maintenance work to the RUHS cogeneration plant;

Continued on Page 2

ACTION:Policy, CIP



Jennifer Cruikshank, Chief Executive Officer - Health System 7/21/2022


Rose Salgado, Director of Facilities Management 7/21/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: August 2, 2022
xc: FM, RUHS

Kecia R. Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

3. Authorize the use of RUHS Enterprise Fund 40050 not to exceed \$2,713,000, including reimbursement to Facilities Management (FM) for incurred project management related expenses;
4. Approve the RUHS Cogen Plant Maintenance Agreement between the County of Riverside (County) and GI Energy, without seeking competitive bids, in the amount of \$2,210,800 for five calendar years from first day of service, and authorize the Chairman of the Board to execute the agreement on behalf of the County;
5. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that do not change the substantive terms of the Agreement; and sign amendments to the compensation provisions that do not exceed 10% annually; and
6. Authorize the Chief Operating Officer of RUHS Medical Center, or her designee, to administer and delegate management authority for the maintenance agreement with GI Energy in accordance with applicable Board policies.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 57,860	\$ 332,160	\$ 2,713,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: RUHS Enterprise Fund 40050 - 100%			Budget Adjustment: No	
			For Fiscal Year: 2022/23-2027/28	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The RUHS Cogen Plant will provide increased electrical support for the hospital's chiller plant and capture the production of waste heat to provide heating and hot water to the hospital. This process diminishes run times of the three large boilers reducing emissions and regulatory compliance costs.

The natural gas engines that are the heart of the plant generate over 550,000 kilowatt hours of electricity every month. The electricity produced is lower in cost than available through commercial power providers since the County purchases the natural gas commodity in bulk and

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

at a highly reduced rate from the State Department of General Services. A savings of \$700,000 annually has been estimated for the full functional Cogen Plant.

It is in the County's best interest to establish a maintenance agreement with an industry recognized service provider. Due to their experience on similar work at the Southwest Justice Center plant, GI Energy's historical knowledge of the hospital plant's operation, and the engine manufacturer's recommendations as the only local vendor certified to maintain the equipment, FM recommends the Board approve the five-year maintenance agreement with GI Energy in the amount of \$2,210,800 through Single Source Procurement. The agreement includes performing valve and head equipment maintenance after every 11,000 run hours which is expected to be performed bi-annually; and rebuilding each engine after every 33,000 run hours to be paid over the course of two years.

The original project was previously analyzed, and the Board found on August 29, 2017, Item 3-49, that the project was exempt under CEQA; a Notice of Exemption was filed on September 6, 2017. The approval, execution and implementation of the maintenance agreement falls within the Section 15301 Exemption previously determined as it would result in the maintenance of an existing facility. Therefore, the project was reviewed and determined that nothing further is required pursuant to CEQA because the use of the facility remains the same and effects of the project remain unchanged and consistent with what has been previously analyzed.

Impact on Residents and Businesses

The maintenance of the RUHS Cogen Plant will reduce energy and operating costs at the hospital campus.

(Continued)

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Additional Fiscal Information

The fiscal year maintenance costs are allocated as follows:

DESCRIPTION	FISCAL YEAR COSTS						TOTAL
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Top End 11,000 Run Hours	0	0	120,000	0	120,000	0	240,000
Top/Bottom End 33,000 Run Hours	0	0	0	155,000	0	155,000	310,000
Annual Ongoing Maintenance:	50,360	302,160	302,160	302,160	302,160	251,800	1,510,800
Allowance	7,500	30,000	30,000	30,000	30,000	22,500	150,000
TOTAL	\$ 57,860	\$ 332,160	\$ 452,160	\$ 487,160	\$ 452,160	\$ 429,300	\$ 2,210,800

(Continued)

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

Additional Fiscal Information (Continued)

The approximate allocation of the preliminary budget is as follows:

BUDGET LINE ITEMS	BUDGET AMOUNT
DESIGN PROFESSIONAL	25,000
SPECIALTY CONSULTANTS	55,564
REGULATORY PERMITTING	0
MAINTENANCE AGREEMENT	2,210,800
COUNTY ADMINISTRATION	125,000
CONTINGENCY	296,636
PRELIMINARY BUDGET	\$ 2,713,000

All costs associated with this Board action will be 100% funded through RUHS Enterprise Fund 40050 over the next six fiscal years; beginning within FY 2022/23 and ending with FY 2027/28. The allocation of costs per Fiscal Year are listed herein with the Fiscal Year Costs table.

Attachments:

- Maintenance Service Agreement with GI Energy
- Single Source for GI Energy

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Endurant Energy_080222.doc


Suzanne Hickley, Assistant Director of Purchasing and Fleet Service

7/19/2022


Meghan Hahn, Senior Management Analyst 7/22/2022

PROFESSIONAL SERVICE AGREEMENT

for

MAINTENANCE OF RIVERSIDE UNIVERSITY HEALTH SYSTEM COGENERATION PLANT

between COUNTY OF

RIVERSIDE and

GI ENDURANT, LLC dba GI Energy



TABLE OF CONTENTS

<u>SECTION HEADING</u>	<u>PAGE NUMBER</u>
1. Description of Services.....	4
2. Period of Performance.....	4
3. Compensation.....	4
4. Alteration or Changes to the Agreement	7
5. Termination.....	8
6. Ownership/Use of Contract Materials and Products	9
7. Conduct of Contractor.....	9
8. Inspection of Service: Quality Control/Assurance	10
9. Independent Contractor/Employment Eligibility	10
10. Subcontract for Work or Services	11
11. Disputes	11
12. Licensing and Permits	12
13. Use by Other Political Entities	12
14. Non-Discrimination	12
15. Records and Documents	12
16. Confidentiality	13
17. Administration/Contract Liaison.....	14
18. Notices.....	14
19. Force Majeure.....	14
20. EDD Reporting Requirements.....	14
21. Hold Harmless/Indemnification	15
22. Insurance	17
23. General	19
Exhibit A - Scope of Services	23

Exhibit B - Compensation and Payment	28
Exhibit C - Spare Parts (<i>Intentionally left Blank</i>)	30
Exhibit D - Scheduled Maintenance Parts & Milestones.....	31
Schedule A - Description of Generating Facility and Covered Equipment.....	36
Schedule B - Shell Terms and Conditions.....	39

This Agreement, made and entered as of the date of the last signature on the signature page of this contract, by and between GI ENDURANT, LLC, doing business as GI Energy, a California limited liability company (herein referred to as "CONTRACTOR" or "GIE"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY" or "OWNER"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibits A through D, Scope of Services, including Schedule A and B, Scheduled Maintenance Parts and Milestones, at the prices stated in Exhibit B, Compensation to the Agreement, all of which are attached hereto and incorporated by this reference. The Scheduled Maintenance services shall be performed with regard to the Generating Facility located at 26520 Cactus Avenue, Moreno Valley, California 92555.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform the Services as set forth in the applicable scope of Services attached herein as Exhibit A to the satisfaction of the COUNTY and in conformance to and consistent with the highest industry standards of firms/professionals in the same discipline in the State of California. In the event of a conflict between any term of this Agreement and a Scope of Services document, the terms of the Scope of Services shall prevail.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and subject to 3.2 below, the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 The services under this Agreement shall commence on **September 14, 2021** and continue in effect through **September 13, 2022**, unless terminated earlier, with an option to renew based on satisfactory performance, through **September 13, 2026** CONTRACTOR shall diligently and continuously perform thereafter.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for Scheduled Maintenance services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed Two Million, Two Hundred Ten

Thousand Eight Hundred Dollars (\$2,210,800) including all expenses for services as described in Exhibit A. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement (If applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity as it applies to work performed within this contract will automatically be extended to the COUNTY. The COUNTY requires written proof reasonably satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items – Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY, which acceptance shall not be unreasonably withheld, conditioned or delayed. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

AP@ruhealth.org

Riverside University Health System- Medical Center

Attn: Accounts Payable

26520 Cactus Ave.

Moreno Valley, CA 92555

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number (FM05430009768), and vendor ID 0000244697; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.

- b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made, and invoices shall be rendered "monthly" in arrears. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

3.5 Labor Code and Prevailing Wages

- a) The services under this contract are considered maintenance and subject to the payment of prevailing wage pursuant to Labor Code section 1720 and 1771, and 8 C.C.R. § 16000.
- b) Reference is made to Chapter 1, Part 7, Division 2 of the California Labor Code (commencing with Section 1720). By this reference said Chapter 1 is incorporated herein with like effect as if it were here set forth in full. The parties recognize that said Chapter 1 deals, among other things with discrimination, penalties and forfeitures, their disposition and enforcement, wages, working hours, and securing worker's compensation insurance and directly affect the method of prosecution of the work by CONTRACTOR and subject it under certain conditions to penalties and forfeitures. Execution of the Agreement by the parties constitutes their agreement to abide by said Chapter 1, their stipulation as to all matters which they are required to stipulate as to by the provisions of said Chapter 1, constitutes CONTRACTOR'S certification that he is aware of the provisions of said Chapter 1 and will comply with them and further constitutes CONTRACTOR's certification as follows: "I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract."
- c) Pursuant to Section 1773 of the Labor Code, the general prevailing wage rates, including the per diem wages applicable to the work, and for holiday and overtime work, including employer payments for health and welfare, pension, vacation, and similar purposes, in the county in which the work is to be done have been determined by the Director of the California

Department of Industrial Relations. These wages are available from the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov>, and are available at the main office of Agency.

3.6 Reimbursable Expenses

Reimbursable Expenses are included in the above (Contractor services) fixed not-to-exceed fee. Reimbursable expenses for printing, plotting, and renderings requested by OWNER, postage and handling, delivery costs, reproductions and facsimiles, will be charged at the standard rate of cost plus ten percent (10%). If approved in advance by COUNTY, mileage for vehicle travel from CONTRACTOR'S or a Subcontractor's place of business (whether located within or outside the County of Riverside) to a point of destination outside the County of Riverside, but excluding the following: (1) travel and related subsistence to or from the COUNTY'S offices or the Site for purposes of conducting inspections, observations or attending meetings that are part of Basic Services; (2) travel to and from residences to the CONTRACTOR'S or a Subcontractor's place of business; and (3) travel to or from CONTRACTOR'S or a Subcontractors place of business located outside the County of Riverside to a location within the County of Riverside.

No additional services shall be performed by CONTRACTOR without a written amendment to this Agreement, pursuant to Section 4 (Alteration or Change to Agreement).

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification in the exercise of his reasonable discretion, then he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change; provided, however, CONTRACTOR shall have no obligation to commence services in connection with any change until the fee and/or schedule impact of the change is agreed upon by the parties in writing.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days prior written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon thirty (30) days prior written notice terminate this Agreement for CONTRACTOR's default, including default as described in Schedule B, attached herein. Section IV, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger timely performance and CONTRACTOR does not cure such failure within 20 days from CONTRACTOR'S receipt of a written notice of default from COUNTY.. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance prior to and including the date of termination in accordance with this Agreement.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon COUNTY obtaining verifiable documentary evidence of dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's verifiable documentary evidence of an unwillingness or inability for any reason whatsoever to perform the work in accordance with the material terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 If the Agreement is federally or State funded, CONTRACTOR cannot continue to perform the work under this Agreement if CONTRACTOR is debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the

Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

5.7 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

5.8 Termination for Convenience. This Agreement may also be terminated at any time by CONTRACTOR for convenience or an event of default by COUNTY upon ninety (90) days written notice to COUNTY in accordance with the provisions of Section 18, herein. Such a termination for convenience will not be considered a waiver of any other right that either party may have under this Agreement, at equity or at law. Upon termination for convenience or COUNTY event of default, COUNTY will pay CONTRACTOR in full satisfaction and discharge of all obligations owed to CONTRACTOR for work performed under this Agreement, all labor and expenses incurred by CONTRACTOR in fulfilling this Agreement prior to and including the date of termination. Each party has a duty to take commercially reasonable steps to mitigate termination charges and to make commercially reasonable efforts to reduce costs upon issuance of a notice of termination for convenience or of a COUNTY event of default.

6. Ownership/Use of Contract Materials and Products

CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY. In the event that the parties agree on a required deliverable, the ownership and use of such deliverable shall be expressly addressed in an amendment to the Agreement.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would not unreasonably and materially conflict in any manner or degree with CONTRACTOR's performance under this Agreement, as detailed in Schedule B Section I. and II. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived reasonably as materially incompatible with the COUNTY's interests in

the performance of the work.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 CONTRACTOR will submit all services to COUNTY when and as required by the applicable Scope of Services. Inspection of the services shall commence promptly upon delivery to COUNTY and such inspection may continue for a period not to exceed 30 days. If a service contains material errors or defects and/or is not in material conformity with the applicable Scope of Service, then COUNTY shall give CONTRACTOR written notice of such material defect, which notice shall contain sufficiently reasonable details and nature of the deficiencies. Upon receipt of such written notice, and barring a good faith dispute over the alleged defect, CONTRACTOR shall, at no cost to COUNTY and within a thirty (30) day cure period, correct any such material deficiencies. Upon completion of the corrective action by CONTRACTOR, the inspection by the COUNTY will be repeated during a similar 30 day period. The CONTRACTOR shall provide adequate, and reasonably necessary cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. In the event that re-performance fails to correct the deficiency and, nevertheless, COUNTY in good faith continues to believe the services to be materially defective, then the COUNTY shall be entitled to the return of that portion of the fees paid to CONTRACTOR for the work directly related to the deficiencies. When the services to be performed or the products to be provided are of such nature that the deficiency cannot be corrected; then COUNTY may terminate this Agreement for default pursuant to Section 5 (Termination). In any event, and in all cases of a default or and alleged default, CONTRACTOR shall use its commercially reasonable efforts to mitigate damages that it may incur as a result of the default and termination of this Agreement.

8.2 CONTRACTOR shall establish reasonably adequate and necessary procedures for self-monitoring and quality control and assurance to ensure that performance under this Agreement is in compliance with its terms; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR. COUNTY or its representative or other regulatory official shall not prevent or

otherwise interfere with CONTRACTOR's ability to perform the work or the services in the normal and ordinary course during times of monitoring, assessment and/or evaluation.

9. Independent Contractor

9.1 The CONTRACTOR is an independent contractor and shall not be deemed to be an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to, overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer- employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer- employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that, in the performance of this Agreement, CONTRACTOR is subject to the control or direction of COUNTY only as to the results to be achieved within the Scope of Services, but not with respect to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make commercially reasonable efforts to comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain from all employees performing work hereunder all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees for a period prescribed by the law.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; however, this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If amicable resolution of disputes is unsuccessful, then the dispute shall be referred to the senior management of the parties. Any dispute, other than disputes related to CONTRACTOR's fees relating to this Agreement that the parties are unable to resolve themselves shall be decided by the COUNTY's Purchasing

Department's Compliance Contract Officer who shall furnish the decision in writing within 30 days from the date the dispute is presented to the Officer, which decision shall provide a reasonably detailed analysis of the facts, law and conclusions. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been contrary to the law or judicial precedent interpreting such law, fraudulent, capricious, arbitrary, or so grossly erroneous as to imply bad faith and improper conduct by the Compliance Contract Officer. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator subject to both parties approval. Such approval will not be unreasonably withheld, conditioned or delayed. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

11.3 Notwithstanding the provisions of this Section, the parties retain any rights or remedies provided by law or under this Agreement.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement. COUNTY shall be responsible for applying, procuring, and renewing all permits necessary for: (i) COUNTY to do business in the jurisdictions in which the Generating Facility and Site are located and (ii) the ownership and operation of the Generating Facility and the Site.

13. Use By Other Political Entities

The CONTRACTOR agrees that, in connection with the provision of exactly the same Scope of Services, CONTRACTOR will offer comparable pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County to the extent acceptable to that governmental entity. For the avoidance of doubt, because of the nature of fluctuating markets, interruptions or changes in supply chains, CONTRACTOR cannot guarantee that the terms accepted by another governmental entity within the COUNTY may be perceived to have received terms and conditions that are more or less favorable than the ones negotiated for this Agreement. It is understood that other entities

shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall maintain accurate records of all amounts billable to, and payments made by, COUNTY pursuant to this Agreement in accordance with generally accepted accounting principles. CONTRACTOR shall retain all records and documentation of CONTRACTOR relating to COUNTY, including invoices, correspondence, contracts, and service logs, for a period of three (3) years following the expiration or earlier termination of this Agreement. During the period in which CONTRACTOR is required to maintain such records, CONTRACTOR shall make available, upon written request pursuant to the California Public Records Act, Schedule B Section III., attached herein, or by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. Records shall be provided within the statutory or regulatory time periods prescribed. All such books, documents and records shall be maintained by CONTRACTOR for at least three years following termination of this Agreement and be available for audit by the COUNTY during normal business hours upon reasonable written notice. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational

procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement. Information not marked or otherwise identified as confidential at the time of disclosure, will only be deemed to be confidential information under this Agreement if a reasonable person would have understood it to be confidential information upon receiving it from the COUNTY. For the avoidance of doubt nothing herein shall limit either party's obligation to comply with regulatory reporting requirements.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The PARTIES shall promptly transmit to the other Party all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY, or as compelled by subpoena or other validly issued administrative or judicial process, any such information to anyone other than the COUNTY. The COUNTY will immediately notify CONTRACTOR of any request for disclosure with sufficient opportunity within the applicable statutes timelines found in the California Public Records Act (Cal. Government code Sections 6250 et seq.), for CONTRACTOR to seek a legal order to prevent disclosure at the CONTRACTOR's if CONTRACTOR so desires.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be in writing and shall be effective either when delivered personally to the party for whom intended or two (2) days following deposit of the same into the US mail (certified mail, return receipt requested, or first class postage prepaid). Notice shall be delivered to the respective parties at the addresses set forth below:

COUNTY OF RIVERSIDE

Riverside University Health System- MC
Marvin Granados
26520 Cactus Ave.
Moreno Valley, CA 92557

CONTRACTOR Economic

GI Endurant LLC Attention:
Attention: Jeff Bogg
1196 N. Grove St. Suite B
Anaheim, CA 92806

cc: GI Energy

150 N. Michigan Suite 1250 Chicago, IL 60601

Attention: Dan McDevitt

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated at the time this Agreement was executed, such as acts of God, acts of war, civil disorders, pandemics, quarantines, natural disasters, severe weather events or conditions, forest fires, governmental or judicial orders or other similar acts, such party shall not be held liable for such failure to comply. As soon as commercially practicable after the occurrence of a Force Majeure event, the affected Party shall provide written notice to the other Party, and in such notice shall give reasonably full particulars concerning the nature, scope and anticipated duration of the Force Majeure. If the Force Majeure event continues for more than 30 days, then the Agreement may be terminated by either Party as prescribed in Section 5 of this Agreement. This section shall not apply to services and workers that are identified as essential to the health and safety of the public, or that are exempted from any governmental or judicial orders.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected

and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or related in any way to real and/or tangible personal property damage, bodily injury, or death incurred while CONTRACTOR is performing services and to the extent proximately caused by the negligent or willful acts of CONTRACTOR in the performance of services under this Agreement. CONTRACTOR shall defend the Indemnitees at its sole expense including all reasonable costs and fees (including, but not limited to, attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

21.2 The party seeking indemnification must notify the other party in writing of a claim or suit promptly and provide reasonable cooperation (at the indemnifying party's expense) and full authority to defend or settle the claim or suit. The duty to defend applies to any alleged or actual negligence, recklessness, willful misconduct of CONTRACTOR. The cost for defense shall apply whether or not CONTRACTOR is a party to the lawsuit, and shall apply whether or not CONTRACTOR is directly liable to the plaintiffs in the lawsuit. The duty to defend applies even if Indemnitees are alleged or found to be actively negligent, but only in proportion to the percentage of fault or negligence of CONTRACTOR.

21.3 Without affecting the rights of County under any other provision of this Agreement, CONTRACTOR shall not be required to indemnify or hold harmless or provide defense or defense costs to an Indemnitee for a Loss due to that Indemnitee's negligence, recklessness or willful misconduct; provided, however, that such negligence, recklessness or willful misconduct has been determined by agreement of CONTRACTOR and Indemnitee or has been adjudged by the findings of a court of competent jurisdiction.

21.4 Notwithstanding any provision to the contrary, the total liability of CONTRACTOR and its employees and consultants, for all losses, damages, costs and expenses, including attorney's fees, shall not exceed the aggregate amount paid to CONTRACTOR with respect to the work involved, regardless of the legal theory under which such liability is imposed. In no event shall either party be liable for consequential, incidental or punitive loss, damage or expenses even if it has been advised of their possible existence. Any action brought by either party must be brought within 2 years after the cause of action arose. The allocations of liability in this Section represent the agreed and bargained for understanding of the parties and the fee structure reflect such allocations.

21.5 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.6 In the event there is a conflict between this clause and California Civil Code section 2782 or 2782.8, this clause shall be interpreted to comply with Civil Code 2782 and 2782.8. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

21.7 CONTRACTOR's indemnification obligations shall also apply to any action or claim regarding actual or alleged intellectual property infringement related to any material or product provided to COUNTY pursuant to this Agreement. In the event of any such action or claim, CONTRACTOR shall provide immediate notice to COUNTY of the action or claim. CONTRACTOR may defend or settle the action or claim as CONTRACTOR deems appropriate; however, CONTRACTOR shall be required to obtain for COUNTY the right to continue to use the material or product (or a similar non-infringing material or product with the same function) on terms identical to those stated in this Agreement.

21.8 CONTRACTOR'S indemnification obligations do not extend or apply to any action or claims arising from the functioning of the Riverside University Health System Cogeneration Facility as caused by the performance of third party vendors, when not involving or contributed to by the action(s) of CONTRACTOR. Third parties performing services regarding the Facility will also be required to provide the indemnification as noted in 21.1 through 21.6 herein.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance

of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. General Insurance Provisions – All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, Contractor will provide thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance

and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the Scope of Services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to reasonably adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by a party of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of a party to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing a party from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount, subject to those amounts disputed in good faith and subject to the dispute resolution process, to the COUNTY on request; or the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR, subject to those amounts disputed in good faith by CONTRACTOR and subject to the dispute resolution process.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.10 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.11 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.12 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, or the Federal Court for the Central District of California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.13 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

The following Exhibits are attached hereto and incorporated herein by reference:

Exhibit A Routine Scheduled Maintenance Scope of Services

Exhibit B Compensation and Payment

Exhibit C Spare Parts intentionally left Blank

Exhibit D Scheduled Maintenance Parts & Milestones


Schedule A Description of Generating Facility and Covered Equipment

Schedule B Shell Terms and Conditions

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE

By: 
JEFF HEWITT
Chairman
Board of Supervisors

Dated: AUG 02 2022


ATTEST:

Kecia Harper-Ihem
Clerk of the Board

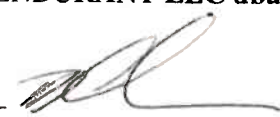
By: 
Deputy

APPROVED AS TO FORM:


Gregory P. Priamos
County Counsel

By: 
Kristine K. Bell-Valdez
Supervising Deputy County Counsel

GI ENDURANT LLC dba GI Energy

By: 
Name: T.D. CHADWICK
Title: CEO

Dated: 5 AUG 2021

By: 
Name: DAN McDEVITT
Title: COO

Dated: 5 Aug 2021

EXHIBIT A**ROUTINE SCHEDULED MAINTENANCE SCOPE OF SERVICES****General**

GIE will perform routine Scheduled Maintenance on the equipment installed in the Generating Facility of Owner. Routine equipment maintenance requirements are detailed in the O&M Manuals provided by the appropriate manufacturer.

Operations and Maintenance Manual.

Operations and Maintenance manuals for covered equipment, as prepared by the Manufacturers of system components, to be provided by Owner.

Scheduled Maintenance.

GIE will perform routine scheduled maintenance on all equipment listed below in accordance with the manufacturer's recommendations for routine service at the recommended service intervals. GIE shall also visit the Generating Facility on a periodic basis for inspection, consultation with Owner, and performance of minor adjustments and tuning. Such maintenance shall be referred to as "Scheduled Maintenance" in this Maintenance Agreement and will include:

- Routine Scheduled Maintenance of the Equipment listed in Schedule A:

Supply of all lube oil;

Proper disposal of used oil to include an EPA Identification Number issued by the California Department of Toxic and Substances Control, provide appropriate Manifest of disposal documentation to Owner; and

- Proper disposal of all replaced components, provide appropriate Manifest of disposal documentation to Owner of all Hazardous Waste components.

GIE shall provide all parts and oil for use in Scheduled Maintenance. This agreement is based on a maximum of 8500 generator run hours per year per generator.

GIE Responsibilities:

1. GIE shall perform routine Scheduled Maintenance on the equipment listed per the manufacturers recommendations, or as otherwise detailed in this document.
2. GIE is to provide the Parts and Labor required to perform all routine Scheduled Maintenance including makeup oil.
3. GIE shall perform all Additional Services requested by Owner on a time and materials basis at standard market rates. To assist Owner's compliance with internal policies, GIE agrees to provide Owner a quote for Additional Services (whenever practicable), subject to Owner's acceptance.
4. GIE shall perform weekly emission monitoring with a local AQMD-approved hand held emission analyzer to assist the Owner in operating within permitted emission limits.
5. GIE to provide appropriate Manifest of disposal documentation.

6. GIE will tune and maintain the entire Generating Facility in such a manner as to optimize overall system efficiency and will maintain emissions within permitted levels, if the required work is within the scope of services described in this Agreement.
7. GIE will include limited, informal training of existing, and new engineering and maintenance personnel on plant operation and maintenance upon request.
8. GIE will notify the Owner when scheduled Top- and Bottom-End overhauls are needed based on the run-hours of the Generating Facility and present a schedule for completion.

Owner Responsibilities:

1. The Owner will be responsible for daily and routine on-site operational services, including equipment monitoring and routine inspections and cleaning.
2. The Owner will perform basic Generating Facility troubleshooting in the event of common Generating Facility alarms or system faults and/or if one or both engines trip offline. GI Energy will provide troubleshooting training as described in section 7 "GI Energy Responsibilities" above.
3. In the event the Owner is unable to troubleshoot a Generating Facility issue, the Owner will use the call tree presented in the GI Energy "Emergency Contacts" below in a timely manner in order to minimize Generating Facility downtime and reduced output.
4. Owner will maintain the Generating Facility in a clean condition.
5. The Owner will be responsible for maintaining daily oil and coolant levels in accordance with manufacturer recommendations, using oil supplied by GIE and coolant supplied by Owner, provided through Owner's current water/chemical treatment service provider.
6. The Owner will be responsible for additional oil analysis costs conducted between oil change intervals, as stated above, and in accordance with manufacturer recommendations.

Owner Requested Maintenance

In addition to the Scheduled Maintenance, GIE shall use its commercially reasonable best efforts to maintain, repair and/or replace any and all covered equipment included in the Generating Facility that malfunctions, breaks down or otherwise requires service so that the equipment will perform as expected, allowing for normal wear and tear. All such additional maintenance work, other than routine Scheduled Maintenance, is referred to as Owner Requested Maintenance. GIE shall perform Owner Requested Maintenance in response to calls made by Owner or its designated representative. Upon receiving a request for Owner Requested Maintenance, GIE will make best efforts to respond within eight (8) hours. GIE shall perform all Owner Requested Maintenance as reasonably as possible to minimize Generating Facility downtime. Owner Requested Maintenance shall be performed on a time and material basis. Additionally, GIE shall advise the Owner of any required Owner Requested Maintenance which GIE observes.

Cost Items which are the responsibility of the Owner:

1. All parts, spares and materials for Owner Requested Maintenance
2. Natural gas supply for Generating Facility.
3. Initial spare parts unless itemized in Exhibit C of this agreement.
4. Utilities including electricity, water and water treatment to support normal and safe operation of the Generating Facility.
5. Telephone/DSL services.

6. Manufacturer recommended coolant/water treatment.
7. Parts and services not listed in Exhibits B and C will be billed separately on a time and material basis at standard market rates. To assist Owner's compliance with internal policies, GIE agrees to provide Owner a quote for Additional Services (whenever practicable), subject to Owner's acceptance.
8. Replacement of Catalytic converters in order to remain compliant with AQMD Permit to Operate.
9. Program Logic Controller (PLC) and Control System Tuning, Calibration and Maintenance except as noted above.
10. Regular Switchgear and Electrical System Maintenance, including Infrared Scan or other system tests and inspections over and above the CoGeneration Plant, except as noted above.
11. Batteries
12. Any emissions Inspection, Monitoring and Reporting Requirements not listed in this agreement.
13. AQMD annual source testing and support.
14. Any additional Service and Parts required due to deferred or negligent maintenance or service performed prior to the Commencement of the Term of this Agreement.
15. Unscheduled maintenance and repair.
16. All system piping and insulation.
17. Human Machine Interface (HMI) control systems (computer).
18. Data Acquisition System (DAS) connected to the Building Management System (BMS).
19. Variable Frequency Drive (VFD) maintenance and repair.

Emergency Contacts:

Evert Fink – Service Manager- 714-493-8743
Salvatore Russo – Service Technician – 949-521-4191
North Hefley – Business Development - 714-715-3185
Jeff Bogg – Service Solutions Head Office – 714-916-2305

Analytical Services

GIE will perform the following analytical services for Owner:

- 1) Overall Generating Facility performance (noting and documenting any unexpected downtime)
- 2) Significant performance anomalies
- 3) Electric production, including:
 - a. plot/graph Generating Facility electric production and utility import electricity
 - b. plot/graph of electric production per genset
- 4) Thermal production, including:
 - a. plot/graph of Generating Facility domestic hot water production as an offset of conventional hot water production
 - b. plot/graph of conventional chilled water production and analyze opportunities for Generating Facility to supply chilled water
- 5) Fuel consumed and System fuel conversion efficiency, including:
 - a. plot/graph of hourly natural gas usage

- b. plot/graph of hourly fuel conversion efficiency
- 6) Energy cost savings attributed to Generating Facility system energy offsets
- 7) Annual Operations and Maintenance (O&M) budget projections and monthly O&M expense accounting
- 8) Dispatch optimization with respect to specific host site tariff treatment
- 9) Incentive application / management

Top End Maintenance – Sixty Thousand Dollars per Engine per Top End (\$60,000)

GI Energy will notify owner when Top-End maintenance will be required based on the actual run-hours of the Generating Facility and present a schedule for completion. Based on manufacturer recommendations, the Top-End maintenance will be performed approximately every Eleven-thousand (11,000) Generating Facility operating hours during the term of this Professional Services Agreement. Assuming eight-thousand, five-hundred (8500) annual operating hours, the Top-End Maintenance will be performed approximately every fifteen (15) to sixteen (16) months. The Top-End Maintenance will consist of the following phases and scope of work:

Phase 1:

Procurement, Disassembly and Inspections

- Order all parts per this proposal.
- Wash down engine.
- Remove all cylinder heads and both turbochargers.
- Inspect all visible parts not being replaced.
- Clean all mating surfaces.
- Replace all cylinder head locating dowel pins.

Phase 2:

Inventory, Rebuild and Install

- Inventory parts upon receiving.
- Rebuild all 16-cylinder heads and machine valve seats.
- Rebuild both turbochargers.
- Install all cylinder heads back onto engine block with all new gaskets and O-rings
- Install rebuilt turbochargers with new exhaust connections and new gaskets
- Test run and tune engine.

Top and Bottom End Maintenance – One Hundred Fifty-Five Thousand Dollars per Engine (\$155,000)

GI Energy will notify owner when Top- and Bottom End maintenance will be required based on the actual run-hours of the Generating Facility and present a schedule for completion. Based on manufacturer recommendations, the in-frame Bottom-End maintenance will be performed approximately every Thirty-three thousand (33,000) Generating Facility operating hours during the term of this Professional Services Agreement. The scheduled Eleven-thousand (11,000) hour Top-End Maintenance will be performed at the same time. Assuming Eight-thousand, five-hundred (8500) annual operating hours, the Top- and Bottom-End Maintenance will be performed once during the term of the Professional Services Agreement at approximately month Forty-six (46). The Maintenance will consist of the following phases and scope of work:

Phase 1:**Procurement, Disassembly and Inspections**

- All scope and activities described above in Top-End Maintenance.
- Order OEM Bottom-End Maintenance Parts.
- Remove pistons and connecting rods.
- Remove crankcase tie bolts and nuts
- Inspect crankshaft.
- Inspect oil pump.
- Inspect cam followers.
- Remove auxiliary water pumps.
- Inspect all visible parts not being replaced.
- Clean all mating surfaces.

Phase 2:**Inventory, Rebuild and Install**

- All scope and activities described above in Top-End Maintenance.
- Replace cylinder sleeves.
- Replace the upper end of rod bushings.
- Replace cylinder sleeves.
- Replace connecting rod upper and lower bearings.
- Repair and replace cam bearings.
- Rebuild gas regulators.
- Rebuild auxiliary water pump.
- Remove and replace vibration damper.
- Rebuild governor.
- Replace main bearings.
- Rebuild both turbochargers.
- Replace oil system thermostats.
- Re-assemble engine.
- Test run and tune engine.

EXHIBIT B**COMPENSATION AND PAYMENT**

1.1 Scheduled Maintenance. For Scheduled Maintenance, Owner shall pay GIE a Fee of Twenty Two Thousand, One Hundred Eighty Dollars (~~\$22,180~~) per month. The Fee for subsequent years of the Term will be determined in accordance with Section 3.2. GIE shall not be entitled to any additional fees or reimbursements on account of the routine Scheduled Maintenance.

During the sixty (60) days prior to the last day of the Term of the Agreement, Owner and GIE shall attempt to reach an agreement on the Fee payable for Scheduled Maintenance if the term is extended. If the parties are unable to reach an agreement, the Term will expire as of the last day of the then current Term.

1.2 Analytical Services. For Analytical Services, Owner shall pay GIE a Fee of Three Thousand Dollars (~~\$3,000~~) per month

Total Compensation. For Scheduled Maintenance and Analytical Services as described above, Owner shall pay GIE a total fee of Twenty Five Thousand, One Hundred Eighty (~~\$25,180~~) per month.

1.3 Owner Requested Maintenance. For Owner Requested Maintenance, Owner shall pay GIE on a time and materials basis at GIE's labor and material rates as follows To assist Owner's compliance with internal policies, GIE agrees to provide Owner a quote for Additional Services (whenever practicable), subject to Owner's acceptance.

2018 Domestic O&M Service Rate Schedule

O&M Manager	\$ 145 / Hour (Portal to Portal)
O&M Technician	\$ 135/ Hour (Portal to Portal)
Commissioning Engineer	\$ 1810 / Day
Commissioning Standby	\$ 1180 / Day

Overtime: GIE will invoice for work in excess of 8 hours per day and/or 40 hours per week (overtime work) at 1.5 times the applicable rate shown above. Work on Sunday and national holidays will be billed at 2 times the applicable rate shown above. County will not be obligated to compensate for overtime work unless such work is preapproved by the County.

Material & Equipment Costs: GIE will invoice all material costs and tool and equipment rental fees associated with the Agreement at actual cost. Portable Exhaust Gas Analyzer will be invoiced at \$500 per use and Bore scope will be invoiced at \$500 per use

1.4 Other Terms and Adjustments

i) **Payment Terms:** Net (thirty) 30 Days from the date of invoice. Services will be invoiced monthly for material received and services provided. The invoice shall be submitted by the tenth day of the month following performance of the Services.

ii) **Top End Maintenance:** For Top End Maintenance, Owner shall pay GIE a Fee of Sixty Thousand Dollars

(~~\$60,000~~) for each required Top End Maintenance per engine. For the first scheduled and requested Top End Maintenance for the engines at approximately 11,000 run hours as described in Exhibit A, the total fee paid by Owner to GIE shall be One Hundred Twenty Thousand Dollars (~~\$120,000~~). For the second schedule Top End Maintenance at 22,000 hours, the total fee paid by Owner to GIE shall also be One Hundred Twenty Thousand Dollars (~~\$120,000~~). GIE shall be not be entitled to any additional fees or reimbursements on account of the routine Scheduled Maintenance.

iii) **Top and Bottom End Maintenance.** For Bottom End Maintenance, Owner shall pay GIE a Fee of One Hundred Fifty Five Thousand Dollars (~~\$155,000~~) for the required Bottom End Maintenance per engine. For the scheduled and requested Bottom End Maintenance for the engines at approximately 33,000 run hours as described in Exhibit A, the total fee paid by Owner to GIE shall be Three Hundred Ten Thousand Dollars (~~\$310,000~~). GIE shall be not be entitled to any additional fees or reimbursements on account of the routine Scheduled Maintenance.

iv) **Maximum Total Contract Amount.** Notwithstanding the compensation terms above, the total contract amount of Two Million, Sixty Thousand and Eight Hundred Dollars (~~\$2,060,800~~) plus a One Hundred Fifty Thousand Dollars (~~\$150,000~~) allowance, including unforeseen conditions, CPI, expenses, fees, and any reimbursement, shall not exceed Two Million, Two Hundred Ten Thousand and Eight Hundred Dollars (~~\$2,210,800~~), and the County shall not be responsible for any costs or fees beyond this contracted amount as stated in Section 3.1 of the agreement. Proposed charges against the allowance will be presented by proposal to the County for review and approval. No charges will be billed against the allowance without written pre-approval by the County.

EXHIBIT C
SPARE PARTS

(Intentionally left blank - No spare parts are included in this Agreement.)

Exhibit D**SCHEDULED MAINTENANCE PARTS & MILESTONES****Parts:**

Qty.	Description
85	Oil Analysis, Engine, Lubricating
1360	Spark Plugs
85	Element, Breather, Crankcase
170	Filter, Oil Oil,
12,000	Gallon Sensor,
85	Oxygen
85	Microspin Kits
320	Seal, Valve Cover
22	Packing, Catalyst
85	Element, Filter, Air
170	Element, Precleaner, Air Filter
1360	Boot, Spark Plug Extension
160	Spark Plug Wires, Secondary
5	BOP Parts and Consumables

Detail of Scheduled Engine Services Required**Service Schedule:**

Item	Service	Daily or as Required	Weekly	500 Hours	750 Hours	1,500 Hours	2,500 Hours	4,000 Hours	8,000 Hours	11,000 Hours
Air Cleaner Filter Element	Check/Clean or Replace	X								
Air Starter Lubricant	Check/Fill	N/A								
Control Rod Ends and Linkage	Clean/Lubricate	N/A								
Cooling Systems Fluid Level (Jacket and Auxiliary)	Check/Fill	X								
Crankcase Oil Level	Check/Fill	X								
Governor Oil Level	Check/Fill	N/A								
Governor Synchronizer or Speed Control	Adjust	X								
Oil Filter	Release Trapped Air	N/A								
Air Filter Pre-Cleaner Element	Check/Clean or Replace	X								
Pre-lube Motor Reservoir	Check/Fill	N/A								
Power Take Off	Lubricate									
Engine Oil and Filter * (ISO Standard or Continuous Duty)	Change Oil And Filter	N/A								
Engine Oil and Filter * (ISO Standard or Continuous Duty With Microspin)	Change Oil And Filter	N/A								
Engine Oil and Filter * (Excess of ISO Standard or Continuous Duty with Microspin) *	Change Oil And Filter				X	X				
Engine Oil and Filter * (Light Load Operation)	Change Oil And Filter					N/A				
Hand Held Emissions Test every 150 hours or 1 Week Which Ever Comes Last	Test and Record		X							
Battery Electrolyte	Check/Fill				X					
Engine Oil * (Analysis)*	Analysis				X	X				
Belt Tension	Check				N/A					

Item	Service	Daily or as Required	Weekly	500 Hours	750 Hours	1,500 Hours	2,500 Hours	4,000 Hours	8,000 Hours	11,000 Hours
Cooling Water Analysis (Ebullient)	Check				N/A					
Air Actuator	Lubricate				N/A					
Alternator Bearings	Lubricate				N/A					
Auxiliary Water Pump*	Inspect/Lubricate				X	X				
Fan Hub and Idler Pulley Bearings	Lubricate				N/A					
Generator Bearings	Lubricate				N/A					
Tachometer Drive	Clean				N/A					
Control Linkage*	Clean and Lubricate				X	X				
Spark Plugs (or as Necessary)*	Clean/Regap or Replace				X	X				
Engine Protection Devices	Inspect					X				
Water Pump Idler Pulley Bearings	Lubricate					N/A				
Crankcase Breather	Clean or Replace					X				
Governor Rod Ends	Lubricate/Replace					X				
Ignition Timing	Check					X				
Oxygen Sensor	Replace					X				
Exhaust Emissions	Check/Adjust					X				
Magnetic Plugs	Clean					X				
Oil Cooler (Oil Side)	Drain					N/A				
Oil Filter Elements *	Replace				X	X				
Oil Separators/Spinner *	Service Kit				X	X				
Ignition Cables: Primary and Secondary Connection	Inspect						X			
Water Temperature Gauge	Test						X			
Carburetor	Adjust						X			
Crankcase Pressure	Check						X			
Oil Pressure Safety	Test						X			
Absorption Chiller Chemistry	Test/Adjust						X			
Prechamber Regulator	Adjust						N/A			
Safety Controls/Engine Protection Devices	Test/Calibrate						X			
Valve Clearance	Adjust						X			
Valve Cover Gaskets	Replace						N/A			

Item	Service	Daily or as Required	Weekly	500 Hours	750 Hours	1,500 Hours	2,500 Hours	4,000 Hours	8,000 Hours	11,000 Hours
Spark Plugs (1,200 - 4,000 hours or as necessary)	Replace				X		X			
Oil Filter Seal	Replace						N/A			
Wastegate Vent Plug	Inspect/Clean						X			
Admission Valves	Clean or Replace							N/A		
Admission Valve Washer**	Replace							N/A		
Absorption Chiller Chamber Chemistry	Test/Adjust							X		
Cylinder Compression	Check							X		
Electric Starter Bearings	Lubricate							N/A		
99 Regulator Filter	Clean/Replace							N/A		
Water Pump	Inspect							X		
Ancillary Pump Bearings	Lubricate							X		
Ancillary Fan Bearings	Lubricate							X		
Carburetor Air/Gas Valve	Clean							X		
Carburetor Diaphragm	Inspect/Replace							N/A		
Governor Compensation	Adjust							X		
Catalyst	Inspect/Rotate/Clean							X		
Precleaner Element	Replace							X		
Turbocharger	Inspect/Clean								X	
Main and Rod Bearing Inspection	Inspect								X	
Cooling System (Jacket and Auxiliary)	Clean and Flush								N/A	
Cooling System Thermostats	Remove and Test								N/A	
Cooling System Tube Bundle	Clean								X	
Crankcase Oil Pickup Screen	Clean								X	
Engine Mounting and Alignment	Check								X	
Exhaust Back Pressure	Check								X	
Fuel Flow Filter Relief Valve	Inspect								X	
High Tension Wires	Replace								X	
Ignition Primary Terminals, Harness Plug	Inspect								X	
CEC Ignition Module Timing Disc Magnets	Clean/Inspect								X	

Item	Service	Daily or as Required	Weekly	500 Hours	750 Hours	1,500 Hours	2,500 Hours	4,000 Hours	8,000 Hours	11,000 Hours
Governor-Synchronizer Motor Reduction Gears	Lubricate								N/A	
Jacket Water Hoses	Replace								N/A	
Lube Oil Hoses	Replace								N/A	
Oil Pan	Clean								X	
Vibration Damper Capscrews	Retorque								X	
Cooling Water Analysis	Check								N/A	
Hydraulic Governor Oil (or as Necessary)	Change								N/A	
Intercooler	Clean/Inspect								X	
Carburetor Gasket	Replace								N/A	
Carburetor Air/Gas Valve	Replace								N/A	
Belts (Engine)	Replace								N/A	
Carburetor Diaphragm	Replace								N/A	
Crankcase Pressure Relief Valves	Inspect								N/A	
Ignition Coils	Inspect								X	
Ignition Magneto	Rebuild								N/A	
Ignition Primary Terminals, Connections	Inspect								X	
Harness Plug and Wires	Rebuild								X	
Wastegate	Inspect Harness Connections and Ground Wires								X	
Custom Engine Control Ignition Module	Test/Adjust								X	
Absorption Chiller Chemistry	Inspect/Calibrate									N/A
PLC	Infrared Scan									N/A
Switchgear	Rebuild									N/A
Power Cylinder Head	Replace									N/A
Power Cylinder/Pistons										N/A

Note:

X	X
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indicates service item falls between these run time intervals.

SCHEDULE A**DESCRIPTION OF THE GENERATING FACILITY AND COVERED EQUIPMENT**

The covered system includes engine-generator and listed ancillary equipment as follows:

Engine-Generator Equipment: Two (2) each - 1800 RPM, Waukesha VGF Enginotor units

Ancillary Equipment as listed below:

Catalytic Converter 2 each	Miratech	SP-IQ2S-28-TBD-EC2
Fin Fan 2 each	Young Touchstone	HC366V15Q-2P
Fin Fan 2 each	Young Touchstone	HC226V10Q-4P
Heat Exchanger	Armstrong	PFX-16-SS-FS-1-150
Heat Exchanger	Armstrong	PFX-28-ST-FS-1-200
Heat Exchanger 2 each	Alfa Laval	LT10-BFG
Exhaust Heat Recovery 2 each	Beard Industries	MFT-900-12
Water Pump 4 each	Armstrong	4300-3X3X8
Water Pump 2 each	Armstrong	4300-6X6X10
Water Pump 2 each	Armstrong	4300-3X3X10
Expansion Tank 2 each	Wessels	NLA-130

GI Energy Scope of Work

1. Waukesha VGF P48GSID Engines
 - a. Daily or As-Required
 - i. Check/clean or replace air cleaner filter element
 - ii. Check/fill cooling systems fluid level (jacket and auxiliary)
 - iii. Clean/lubricate control rod ends
 - iv. Check/fill crankcase oil level
 - v. Adjust governor synchronizer or speed control
 - vi. Check/clean or replace air filter pre-cleaner element
 - b. Weekly
 - i. Handheld emissions test every 150 hours or 1 week
 - ii. Check/fill battery electrolyte
 - c. 750 Hours
 - i. Engine oil laboratory analysis

- ii. Inspect/lubricate auxiliary water pump
- iii. Lubricate generator bearings
- iv. Clean and lubricate control linkage
- v. Clean/re-gap or replace sparkplugs
- vi. Drain oil cooler
- vii. Replace oil filter elements
- viii. Service kit for oil separators/spinner
- d. 1500 Hours
 - i. Change oil and filter
 - ii. Inspect engine protection devices
 - iii. Clean or replace crankcase breather
 - iv. Lubricate/replace governor rod ends
 - v. Check ignition timing
 - vi. Replace oxygen sensor
 - vii. Check/adjust exhaust emissions
 - viii. Clean magnetic plugs
 - ix. Drain oil cooler
 - x. Replace oil filter elements
 - xi. Service kit of oil separators/spinner
 - xii. Replace oil filter seal
- e. 2500 Hours
 - i. Change oil and filter
 - ii. Inspect ignition cables (primary and secondary connection)
 - iii. Test water temperature gauge
 - iv. Adjust carburetor
 - v. Check crankcase pressure
 - vi. Adjust 99 regulators
 - vii. Test/calibrate safety controls/engine protection devices
 - viii. Adjust valve clearance
 - ix. Replace valve cover gaskets
 - x. Replace sparkplugs
 - xi. Replace oil filter seal
 - xii. Inspect/clean wastegate vent plug
- f. 4000 Hours
 - i. Check cylinder compression
 - ii. Lubricate electric starter bearings
 - iii. Inspect water pump
 - iv. Lubricate ancillary pump bearings
 - v. Lubricate ancillary fan bearings
 - vi. Clean carburetor air/gas valve
 - vii. Adjust governor compensation
 - viii. Inspect/rotate/clean catalyst
 - ix. Replace pre-cleaner element
- g. 8000 hours
 - i. Inspect/clean turbocharger
 - ii. Inspect main and rod bearing

- iii. Clean and flush cooling system
- iv. Remove and test cooling system thermostats
- v. Clean cooling system tube/bundle plates
- vi. Clean crankcase oil pickup screen
- vii. Check engine mounting and alignment
- viii. Check exhaust backpressure
- ix. Replace jacket water hoses
- x. Replace lube oil hoses
- xi. Clean oil pan
- xii. Re-torque vibration damper cap screws
- xiii. Check water cooling analysis
- xiv. Clean/inspect intercooler
- xv. Inspect ignition coils
- xvi. Inspect ignition primary terminals, connections harness plug and wires

Ancillary Equipment Service Schedule							
Equipment	Daily	Weekly	500 hrs	750hrs	1000hrs	6 Months	Annual
Catalytic Converters							
O2 Sensor Voltage Reading	X						
Delta Pressure Reading	X						
Emission Test		X					
Clean Element/s						X	
Fin Fans							
Check for Leaks	X						
Check for Noises/Vibrations	X						
Grease Bearings					X		
Belt Tension, Check/Adjust					X		
Clean Core							
Replace Belts							X
Heat Exchangers							
Check Delta Pressure/Temperature	X						
Check for Leaks	X						
Clean Plates, Replace Gaskets							As Required
Exhaust Heat Recovery Units							
Check for Leaks	X						
Water Pumps							
Check for Leaks	X						
Replace Seals							X
Replace Bearings							As Required
Expansion Tanks							
Check Bladder Air Pressure					X		

Schedule B Shell Terms and Conditions

GI Endurant LLC d/b/a GI Energy is an affiliate of Shell and as such is obligated to incorporate the terms and conditions below in all third party agreements. None of the following terms and conditions can be modified except by express language in the applicable agreement and provided that any provision modifying the terms below expressly states its intention to modify this document and makes specific reference to the language to be modified, changed or supplemented.

As a Shell affiliate, GI Energy is bound by and obligated to contract with third parties who have agreed to be bound by Shell's Commitment and Policy on Health, Security, Safety, the Environment and Social Performance and Shell's Business Principles. Both policies are found for reference at www.shell.com/sgbp. By signing an agreement with GI Energy, a party is deemed to have agreed to and accepted such policies.

I. Compliance with Laws

Each Party, in the performance of this Agreement and the business resulting therefrom, shall comply, and ensure compliance by its Affiliates, with all Applicable Laws. Each Party undertakes to the other Party that:

- a. with regard to performing its obligations under this Agreement it will not, and shall procure that its officers, directors, employees, agents and representatives (as well as its Affiliates and the officers, directors, employees, agents and representatives of its Affiliates) performing work or any obligations under this Agreement and/or for the Project, will not, directly or indirectly, engage in a "Prohibited Transaction" and warrants that neither it nor its officers, directors, agents and representatives have engaged in a "Prohibited Transaction". "Prohibited Transaction" shall be defined to include:
 - i. receiving, transferring, transporting, retaining, using, structuring, diverting, or hiding the proceeds of any criminal activity whatsoever, including drug trafficking, fraud, and bribery of a Government Official or a family member of a Government Official;
 - ii. engaging, becoming involved in, financing, supporting financially or otherwise sponsoring, facilitating, or giving aid or comfort to any terrorist person, activity or organization;
 - iii. employing, engaging in any transaction or otherwise conducting business with a "designated person", namely a person or entity that appears on any list issued by the United States or the United Nations with respect to money laundering, terrorism financing, drug trafficking, or economic or military embargoes; and
 - iv. making, or offering to make, any payment or offering anything of value, directly or indirectly, to, for the benefit or the use of a Government Official or a family member of a Government Official to induce such Government Official where this would violate the "Anti-Bribery Laws".
- b. it will, and shall procure that its officers, director, employees, agents and representatives, performing work or any obligations under this Agreement and/or for the Project will, comply fully with the U.K. Bribery Act of 2010, the provisions of the US Foreign Corrupt Practices Act and the principles described in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, dated 21 November 1997, all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful

gratuities or benefits to, any Government Official or any other person and in each case any applicable

implementing legislation, as well as applicable anti-money laundering, economic sanctions and anti-boycott laws of the United States (collectively, the "Anti-Bribery Laws") in performing its obligations under this Agreement for the purposes of this clause, "Government Official" shall mean any officer or employee of a government, or department (whether executive, legislative, judicial or administrative), agency or instrumentality of such government, including any government-owned business, or a public international organization; or any person acting in an official capacity for or on behalf of such government, or any candidate for public office or representative of a political party.

c. Each Party agrees:

- i. to notify the other Parties upon gaining knowledge that a Prohibited Transaction by such Party may have occurred and to cooperate in good faith with the other Parties to determine whether a Prohibited Transaction has occurred; and
- ii. to notify the other as soon as possible of any investigation or proceeding, initiated by a governmental authority relating to an alleged violation of Anti-Bribery Laws by such Party, or its Affiliates, or any of their directors, officers, employees, personnel, or any service providers of such Party or its Affiliates, concerning operations and activities under this Agreement. Such Party shall use reasonable efforts to keep the other Parties informed as to the progress and disposition of such investigation or proceeding, except that such Party shall not be obligated to disclose to the other Parties any information that would be considered legally privileged.
- iii. Each Party undertakes that it shall avoid any conflict of interest between its own interests (including the interests of Affiliates) and the interests of the other Parties in dealing with suppliers, customers and all other organizations or individuals doing or seeking to do business with the Parties concerning activities contemplated under this Agreement.

II. Each Party shall Agree that concerning matters that are the subject of this Agreement

- a. There shall be established a business principles policy (the "Business Principles") and a code of conduct (the "Code of Conduct") by adopting the published Shell General Business Principles and the Code of Conduct of the Shell Group, in addition to Shell's HSSE & SP Commitment & Policy, as the same may be amended, superseded or replaced from time to time; and
- b. Adequate internal controls and procedures shall be devised and maintained to assure compliance with Anti-Bribery Laws expressly including but not limited to the establishment of procedures to ensure that all transactions are accurately recorded and reported in its books and records to reflect truly the activities to which they pertain such as the purpose of each transaction and to whom it was made or from whom it was received; and
- c. Shall take reasonable steps to impose on contractors or its subsidiary companies engaged by it to carry out services in connection with this Agreement a duty to comply with Anti-Bribery Laws, and where appropriate, with policies and procedures in respect of compliance with Anti-Bribery Laws; and
- d. All records and information related to this Agreement and/or any work statement in connection therewith shall be retained, either physically, by electronic media or on microfilm, for a period of at 10 years after the Agreement's end; and

- e. that the other Parties must be able to rely on the adequacy of the system of internal controls, and on the adequacy of full disclosure of the facts, and of financial and other information concerning operations and/or activities under this Agreement.

III. Right to ABC Audit

The Parties shall have the right to conduct a targeted verification to ensure compliance with Anti-Bribery Laws regarding all information, rates and costs and expenses in respect of all operations and works undertake in connection with this Agreement (an "ABC Verification"). This may be conducted at any time during this Agreement or within 10 years after termination. The Parties may have access at all reasonable times to any place where the records are being maintained and they shall afford each other every reasonable facility for the right of access. The Parties shall have the right to reproduce and retain copies of any of the aforesaid records or information.

IV. Termination

Each party with regard to operations and/or activities under this Agreement, acting in good faith, shall have the right to withdraw from this Agreement if the following occurs:

- a. A Party has admitted allegations made by a Governmental Authority concerning operations and/or activities under this Agreement that the Party or its Affiliates or their directors, officers, employees or personnel have violated Anti-Bribery Laws; or
- b. A Party has been finally adjudicated concerning operations and/or activities under this Agreement that the Party or its Affiliates or their directors, officers, employees or personnel have violated Anti-Bribery Laws; or
- c. A Party has been finally determined in arbitration to have materially breached its warranty and/or covenant as set forth in the Agreement, based on its settlement of claims (without admission of allegations) made by a Governmental Authority concerning operations and/or activities under this Agreement that Party or its Affiliates or their directors, officers, employees or personnel have violated Anti-Bribery Laws.

The Parties agree to co-operate and assist each other in undertaking reasonable due diligence on each other enabling each Party to obtain internal approvals.

COUNTY

CONTRACTOR

GI Endurant LLC

Initialed. _____

Initialed





Use this form to submit a single or sole source requisition for review by your Buyer and/or Procurement Contract Specialist. All procurements valued **\$5,000 or more** must seek competitive bids from a minimum of three suppliers, or the expectation that three or more suppliers will respond, or be justified by a Single/Sole Source. All purchases exceeding **\$50,000** require a formal public bid. Procurement's may not be artificially segregated to lesser dollar amounts for the purpose of bypassing this requirement.

Sole/Single Source service requests that are greater than **\$50,000** require additional Board of Supervisors approval.

Supplier Details

Vendor Endurant Energy LLC
Fulfillment Address LLCc - Services: (preferred)
1196 N Grove St Ste B
Anaheim, California 92806 United States
Vendor Phone +1 630-200-0790
Distribution Method
The system will distribute purchase orders using the method(s) indicated below:
Check this box to customize order distribution information. **x**
Email (HTML Body) MTRUONG@ENDURANT.COM
Contract

Background Information

Please indicate if this is a single or sole source below

Single Source

Have you previously requested and received approval for a sole/single source request for this vendor for your department?

Yes

If selected "yes", please provide the approved SSJ# below

SSJ# 17-118

If selected "yes", was the request approved for a different project?

Yes

Purchase Details

1. Supply/Service being requested:

Request RUHS MC Cogeneration Plant Maintenance Agreement, GI Endurant is the current provider at another location (SWJC) with a successful maintenance program.

2. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

The Cogeneration Plant features two Waukesha engines. Waukesha recommended GI Endurant since they performed the rebuilding of the engines and redesign of the plant. In 2011, Risk Management suggested that the County use GI Endurant as the maintenance provider due to their experience with the plant redesign and knowledge of the historical operation of the plant.

3. Reasons why my department requires these unique features and what benefit will accrue to the county:

Current Year Cost

6. Identify all costs for this requested purchase.

You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained.

Describe all current fiscal year costs associated with this procurement in the box below. Insert all one time costs associated with this project in the table below.

All current FY and future FY costs are detailed in the table below.

Successful maintenance of the cogeneration plant is critical to ongoing operation of the plant. The cogeneration plant returns over \$715,314 in cost savings to the County annually. SCE has increased electricity rates at an average of 13% for the past two years and recently petitioned the California Public Utilities Commission for further increases. Continued energy savings allows funds to be spent on other important items than operations of County buildings.

4. Period of Performance 07/01/2022
From:

Period of Performance To: 06/30/2028

Is this an annually renewable contract or is it fixed term?

Annually Renewable

5. Price Reasonableness:

Due to the recent COVID pandemic, parts and oil costs have skyrocketed. While the monthly maintenance fee will be increased, there was minimal inflation on the hour related services. GI Endurant has had to replace multiple major engine parts with over the past five years with no additional cost to the County. The cost increases are reasonable considering GI Endurant's contribution to the significant energy savings the county is realizing from their services.

Projected Board of Supervisor 8/30/2022
 Date (if applicable):

Commodity Code 28500

Insert all current fiscal year costs in the table below. Label the 'description' as the item that is being purchased.

Current FY Costs

Description	Price
Monthly maintenance fees for RUHS MC Cogens allowance	50,360.00 7,500.00

Enter all additional FY costs in the table below.

Only enter one fiscal year cost per line and identify the fiscal year that it pertains to. Fiscal year is from 7/1/00 to 6/30/00.. Example : FY 18/19 \$200

FY	FY 2023/24 \$332,160
FY	FY 2024/25 \$452,160
FY	FY 2025/26 \$487,160
FY	FY 2026/27 \$452,160
FY	FY 2027/28 \$429,300

Additional FY Cost

Describe all additional costs associated with this procurement in the box below. Include the dollar amounts for subsequent fiscal years if it differs from above.

None.

Current Year Cost Total: 57,860.00

Supporting Documentation

If this request is for professional services, attach the service agreement to this sole source request. The Purchasing Agent, or designee, is the signing authority for agreements unless the service is exempted by Ordinance 459, Board delegated authority or by State law.

Additional supporting documentation includes:

- Previously approved SSJ's
- other

For all other requests, attach the vendor's cost proposal

Internal Attachments

Purchasing Approval

Approved by

Date Approved

Sole Source Number

Approval
 Conditions/Comments

This section to be filled out by Purchasing Management only upon approval. Suzanna L Hinckley

7/7/2022

Total 57,860.00