



651 Commerce Drive
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February 26, 2020

TO: Facilities Committee

FROM: Carrie Pollo

SUBJECT: Notice of the Facilities Committee Meeting

Facilities Committee: In compliance with the Brown Act, if participating on the conference call **and/or online presentation**, please attend one of the locations listed below and post this notice at a publicly accessible location at the participation location **72-hours** before the call begins.

| | |
|------------------|---|
| Date: | Wednesday, March 4, 2020 |
| Time: | 9:00 am |
| Where: | NCPA Headquarters 651 Commerce Drive Roseville, CA 95678 |
| Contact at NCPA: | Carrie Pollo 916.782.4282 |

| | | |
|---|---|--|
| ALAMEDA MUNICIPAL PWR 2000 Grand St., Alameda 510.748.3901 | BAY AREA RAPID TRANSIT 300 Lakeside Drive, Oakland 510.464.6435 | CITY OF BIGGS 465 "C" Street, Biggs 530.868.5493 |
| CITY OF GRIDLEY 685 Kentucky Street, Gridley 530.846.5695 | CITY OF HEALDSBURG 401 Grove Street, Healdsburg 707.431.3317 | CITY OF LODI 1331 S. Ham Lane, Lodi 209.333.6762 |
| CITY OF LOMPOC 100 Civic Ctr. Plaza, Lompoc 805.875.8299 | CITY OF PALO ALTO 250 Hamilton Ave, Palo Alto 650.329.2273 | PORT OF OAKLAND 530 Water Street, Oakland 510.627.1100 |
| PLUMAS-SIERRA REC 73233 Hwy 70, Portola 530.832.4261 | CITY OF REDDING 3611 Avtech Parkway, Redding 530.339.7344 | CITY OF ROSEVILLE 2090 Hilltop Cir, Roseville 916.774.5602 |
| CITY OF SANTA CLARA 881 Martin Avenue, Santa Clara 408.261.5490 | TURLOCK IRR. DISTRICT 333 E. Canal Drive, Turlock 209.883.8300 | CITY OF UKIAH 300 Seminary Ave, Ukiah 707.463.6200 |



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Agenda – Revised

Date: Wednesday, March 4, 2020
Subject: Facilities Committee Meeting
Location: NCPA Headquarters, 651 Commerce Drive, Roseville CA.
Time: 9:00 am

The Committee may take action on any of the items listed on this Agenda regardless of whether the matter appears on the Consent Calendar or is described as an Action Item, a Report or an Informational Item. This agenda is often supplemented by various documents which are available to the public upon request. Pursuant to Government Code Section 54957.5, the following is the location at which the public can view agendas and other public writings: NCPA Offices, 651 Commerce Drive, Roseville California, or www.ncpa.com.

Persons requiring accommodation in accordance with the Americans with Disabilities Act in order to attend or participate in this meeting are requested to contact the NCPA Secretary at 916.781.3636 in advance of the meeting to arrange for such accommodations.

REVIEW SAFETY PROCEDURES

1. Call Meeting to Order and Roll Call

PUBLIC FORUM

Any member of the public who wishes to address the Committee on matters not on the Agenda, but within the subject matter jurisdiction of the Committee, or any member of the public who desires to address the Committee on any item considered by the Committee at this meeting before or during the Committee's consideration of that item, shall so advise the Chair and shall thereupon be given an opportunity to do so.

OPEN SESSION

DISCUSSION / ACTION ITEMS

2. **Approve Minutes from the February 5, 2020 Facilities Committee Meeting, and the February 12, 2020 Special Facilities Committee Meeting.**
3. **All Generation Services Facilities, Members, SCPPA – Integrity Inspections, LLC MTGSA –**
Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Integrity Inspections, LLC for specialty mechanical and inspection services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: CTs*)

4. **All Generation Services Facilities – Hunt & Sons, Inc. MTEMS** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task Agreement for Purchase of Equipment, Materials, and Supplies with Hunt & Sons, Inc. for purchase and delivery of diesel fuel, propane, and other oils and lubricants, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: CTs*)
5. **All Generation Services Facilities, Members, SCPPA – Coffman Engineers, Inc. MTPSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task Professional Services Agreement with Coffman Engineers, Inc. for fire protection, mechanical, electrical, and civil engineering services, with a not to exceed amount of \$1,000,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures. (*Commission Category: Consent; Sponsor: Geo*)
6. **Proposed FY2021 Annual Budget Review and Approval** – Staff will present and review the final budget for FY2021 and will be seeking a recommendation for Commission approval of the budget. (*Commission Category: Discussion/Action Item; Sponsor: Administrative Services*)

INFORMATIONAL ITEMS

7. **NCPA Generation Services Plant Updates** – NCPA Plant Staff will provide the Committee with an informational update on current plant activities and conditions. (*Sponsor: Generation Services*)
8. **New Business Opportunities** – Staff will provide an update regarding new business opportunities. (*Sponsor: Power Management*)
9. **Planning and Operations Update** – Staff will provide an update on issues related to planning and operations. (*Sponsor: Power Management*)
10. **Next Meeting** – The next regular Facilities Committee meeting is scheduled for April 1, 2020.

ADJOURNMENT

/cp



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Minutes - Draft

Date: February 12, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: February 5, 2020 Facilities Committee Meeting Minutes

- 1. Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock at 9:05 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Alex Smith (Alameda), Paul Eckert (Gridley), Shiva Swaminathan (Palo Alto), Jared Carpenter (Port of Oakland), Nick Rossow (Redding) and Steve Hance and Paulo Apolinario (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Biggs, Healdsburg, Lompoc, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

OPEN SESSION

DICUSSION / ACTION ITEMS

- 2. Approve Minutes from the January 8, 2020 Facilities Committee Meeting.**

Motion: A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending approval of the January 8, 2020 Facilities Committee meeting minutes. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 3. All Generation Services Facilities, Members, SCPPA – Industrial Door Company MTGSA –**
Staff presented background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Industrial Door Company for commercial and industrial door maintenance services, with a not to exceed amount of \$500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a new agreement with a new vendor. Staff contacted Industrial Door Company because they have worked near the Geysers area. It is an enabling agreement with no commitment of funds. Execution of this enabling agreement will also increase the pool of qualified vendors

willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. NCPA has one other agreement in place for similar services with Barton Overhead Door, Inc. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Basil Wong and seconded by Mike Brozo recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Industrial Door Company for commercial and industrial door maintenance services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

4. **NCPA Geothermal Facility – Vince Sigal Electric, Inc. MTGSA** – Staff is seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Vince Sigal Electric, Inc. for specialized electrical services, including labor and materials for miscellaneous maintenance purposes, with a not to exceed amount of \$500,000, for use at NCPA's Geothermal facility. All purchase orders will be issued following NCPA procurement policies and procedures.

This item was pulled from the agenda.

5. **All Generation Services Facilities, Members, SCPPA – Farwest Insulation Contracting First Amendment to MTGSA** – Staff presented background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Farwest Insulation Contracting, increasing the not to exceed amount from \$500,000 to \$3,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi Task General Services Agreement with Farwest Insulation Contracting effective December 6, 2019 for an amount not to exceed \$500,000. The Lodi Energy Center (LEC) is currently in a forced outage, and will need continued insulation support services for the duration of the outage, which will quickly exhaust the amount that is currently remaining on the agreement. This amendment will increase the not to exceed amount from \$500,000 to \$3,500,000. It will remain an enabling agreement with no commitment of funds. NCPA has one other enabling agreement in place for similar services with Bayside Insulation and Construction. A draft Commission Staff Report and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Mike Brozo and seconded by Jiayo Chiang recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Farwest Insulation Contracting, with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$3,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 6. All Generation Services Facilities, Members, SCPPA – Maxim Crane Works, L.P. First Amendment to MTGSA** – Staff provided background information and was seeking a recommendation for Commission approval of a First Amendment to the Multi-Task General Services Agreement with Maxim Crane Works, L.P., increasing the not to exceed amount from \$500,000 to \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, SCPPA, and SCPPA Members. All purchase orders will be issued following NCPA procurement policies and procedures.

NCPA entered into a five year Multi Task General Services Agreement with Maxim Crane Works, L.P. effective April 4, 2016 for an amount not to exceed \$500,000. The Lodi Energy Center is currently in a forced outage, and will need continued crane support services for the duration of the outage. Staff estimates that this vendor's work related to the current LEC outage will exceed the amount remaining on the agreement. This amendment increases the not to exceed amount from \$500,000 to \$1,500,000. It will remain an enabling agreement with no commitment of funds. Other agreements in place for similar services are with American Crane Rental, Inc., Hatton Crane & Rigging, OST Trucks & Cranes, Inc., Summit Crane Company of Solano, Inc. and Titan Crane & Rigging, Inc. A draft Commission Staff Report and draft First Amendment with the original agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Jiayo Chiang and seconded by Basil Wong recommending Commission approval authorizing the General Manager or his designee to enter into a First Amendment to the Multi-Task General Services Agreement with Maxim Crane Works, L.P., with any non-substantial changes as recommended and approved by the NCPA General Counsel, increasing the not to exceed amount from \$500,000 to \$1,500,000, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 7. All Generation Services Facilities – Nalco Company, LLC MTGSA** – Staff gave background information and was seeking a recommendation for Commission approval of a five-year Multi-Task General Services Agreement with Nalco Company, LLC for specialty chemicals and related services, with a not to exceed amount of \$2,500,000, for use at all facilities owned and/or operated by NCPA. All purchase orders will be issued following NCPA procurement policies and procedures.

This is a renewal agreement with an existing vendor. NCPA had a previous agreement in place which expired in November 2019, and have a good working relationship with this vendor. It is an enabling agreement with no commitment of funds. NCPA recently requested competitive bids for a project at the CT facilities. Nalco was one of the prospective bidders. Execution of this enabling agreement will also increase the pool of qualified and proven vendors for these types of services. Other agreements in place for similar services are with CellMark USA, Inc. (Geo only), Dow Chemical Company (Geo only), SUEZ WTS USA, Inc., and Univar USA, Inc. This agreement will be for use at NCPA facilities only since it is for specialty chemicals and related services. A draft Commission Staff Report and draft agreement were available for review. It is recommended to place this item on the consent calendar.

Motion: A motion was made by Mike Brozo and seconded by Brian Schinstock recommending Commission approval authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Nalco Company, LLC for specialty chemicals and services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$2,500,000 over five years, for use at all facilities owned and/or operated by NCPA. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto,

Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 8. Nexant Cost Allocation Model Billing Determinants** – Staff reviewed the finalized calendar year 2019 billing determinants that will be used in the FY2021 Nexant Cost Allocation Model. The prescribed Nexant determinants are appropriate for use as allocators in the cost allocation model. This review does not include offsetting Power Management services revenues. Staff was also seeking a recommendation for Commission approval of the modification to exclude contract deals from NCPA's deal capture system having 'Submitted' deal status for use as inputs into the Nexant Model.

The proposed modification to the current Nexant Cost Allocation Model was reviewed by staff. NCPA's Deal capture system accounts for contracts arranged with counter parties for the purchase or sale of energy and capacity transactions. Typically, 'Submitted' deals represent an inactive status until they are subsequently modified to 'Finalized' or 'Verified' status. The 'Submitted' status has more recently been used as a means to store information for deals not associated with scheduling or settlements. This requested change ensures that Submitted deals are not included as inputs into the Nexant model, as they do not reflect any incremental time or effort performed by either NCPA staff or NCPA applications.

Motion: A motion was made by Shiva Swaminathan and seconded by Brian Schinstock recommending Commission approval of the proposed modification to exclude contract deals from NCPA's deal capture system having 'Submitted' deal status for use as inputs into the FY 2021 Nexant Cost Allocation Model. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Port of Oakland, and Redding. The motion passed.

- 9. NCPA Hydroelectric Facility – Hydro Wildfire Risk Mitigation Project** – Staff provided background information and was seeking a recommendation for Commission approval of the Hydroelectric Wildfire Risk Mitigation Project, with a not to exceed amount of \$3,000,000, and approval of a budget augmentation for the FY20 Hydroelectric Budget in the amount of \$1,700,000, and use of up to \$1,300,000 in Hydro Capital Development Reserve funds.

In September 2019, NCPA contracted with Power Engineers to prepare a Wildfire Risk Mitigation Report and Recommendations. Part of the Collierville-Bellota 230 kV line crosses through a Cal Fire Tier II Fire Hazard Severity Zone. In consideration of the age of the insulators, the observed failures, and changing design standards, Power Engineers recommended that the approximately 30 year old EPDM polymer-type insulators be replaced with new silicon polymer insulators with corona rings, and other hardware modifications such as changing out some suspension clamps, inspecting the conductors for fatigue or damaged stands, upgrading shield wire grounding installations, and adding anchor shackles at the suspension insulator Y-clevis end in specific tangent towers. In addition, Power Engineers recommended increasing the line-ground clearance in one span, and fire hardening the McKays 17 kV overhead line. The NCPA Hydroelectric Wildfire Mitigation Project will implement the Power Engineer recommendations for the Collierville-Bellota 230 kV line and McKays 17 kV line.

After discussion, Members expressed they would prefer to use the not to exceed amount of \$3,000,000 from the existing Hydroelectric Capital Development Reserve collection funds for the project rather than a budget augmentation for the FY20 Hydroelectric Budget.

Motion: A motion was made by Brian Schinstock and seconded by Basil Wong recommending Commission approval authorizing the NCPA Hydroelectric Wildfire Mitigation Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA purchasing policies and

procedures, without further approval by the Commission, for a total not to exceed amount of \$3,000,000, and authorizing use of up to \$3,000,000, in existing Hydroelectric Capital Development Reserve collections to fund the project. The Hydroelectric Capital Development Reserve will need to be replenished in future budget years. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Roseville, and Santa Clara. ABSTAIN = Redding. The motion passed.

- 10. NCPA Geothermal Facility – Geo Wildfire Risk Mitigation Project** – Staff presented background information and was seeking a recommendation for Commission approval of the Geothermal Wildfire Risk Mitigation Project, with a not to exceed amount of \$450,000, to be funded from existing Geothermal bond fund account(s).

There have been three major wildfires over the last five years in areas surrounding the NCPA Geothermal Facility. Fortunately, the facility has incurred minimal damage from these fires. An assessment of NCPA facilities was performed by Power Engineers and recommendations were provided based on best business practices. Therefore, the Wildfire Risk Mitigation Report and Recommendations and lessons learned from the recent fires have resulted in Geothermal Facility specific recommended mitigation measures for the project which consists of repairs and lidar surveys to the 230 kV transmission towers and 21 kV power distribution line, purchase and rental of vehicles for power line inspection and vegetation management, and improved fire retardant signage, per Cal Fire, to assist local firefighting crews.

The Wildfire Risk Mitigation Project will require a one-time cost of \$450,000. While this increase was not included in the FY20 budget, staff recommend using a portion of excess bond Reserve funds that was released when the final maturity of the 2009 Geothermal bonds was paid on July 1, 2019. The Reserve fund released was approximately \$3.5 million which would have been included as part of the FY 2020 annual settlements reconciliation. Therefore, no budget augmentation is required. Purchase orders referencing the terms and conditions of any agreements executed for work related to this project will be issued following NCPA procurement policies and procedures.

Motion: A motion was made by Mike Brozo and seconded by Jiayo Chiang recommending Commission approval authorizing the NCPA Geothermal Facility Wildfire Risk Mitigation Project and delegating authority to the General Manager or his designee to award bids, execute agreements, and to issue purchase orders for the project in accordance with NCPA Purchasing Policies and Procedures, without further approval by the Commission, for a total not to exceed amount of \$450,000. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Plumas-Sierra, Roseville, and Santa Clara. ABSTAIN = Palo Alto, Port of Oakland, and Redding. The motion passed.

- 11. NID Services Agreement** – Staff presented background information and was seeking a recommendation for Commission approval of a Services Agreement with Nevada Irrigation District (NID), pursuant to which NCPA will supply certain scheduling and dispatch services to NID.

NID issued a Request for Information on April 9, 2019, seeking proposals for scheduling and dispatch services for NID's Deer Creek Powerhouse. In response to NID's Request for Information, NCPA submitted a Statement of Qualifications and proposal to supply scheduling coordination, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse. On September 3, 2019, NID formally selected NCPA's proposal. Staff, in coordination with NID, has developed a Services Agreement under which NCPA will supply scheduling, control center, and reliability standards compliance services for NID's Deer Creek Powerhouse. NID has now requested additional services for the Combie South Powerhouse. Services requested are the same services as requested for the Deer Creek Powerhouse. The

Combie South Powerhouse is a 1.5 MW Hydroelectric “run-of-river” production. It qualifies as RPS and RA, with limited dispatch flexibility. The key provisions contained in the Services Agreement included a defined scope of services, terms for compensation, and terms to limit NCPA’s liability.

Compensation for services rendered will be \$34,000 per, with a 2% increase per year. The initial term will be for two years from March 1, 2020 to February 28, 2022 with an automatic extension. The agreement will be structured to be flexible, enabling adding capacity. Additional NID hydroelectric projects produce 82.2 MW of capacity. Lompoc will purchase the Deer Creek Powerhouse output. Purchase of the Combie South Powerhouse output is pending with another NCPA Member.

Motion: A motion was made by Jiayo Chiang and seconded by Brian Schinstock recommending Commission approval of the Services Agreement between NCPA and NID, pursuant to which NCPA will supply scheduling, control center, and reliability standards compliance services to NID, including any non-substantive modifications to the Services Agreement as may be approved by NCPA’s General Counsel. A vote was taken by roll call: YES = Alameda, Gridley, Lodi, Palo Alto, Plumas-Sierra, Port of Oakland, Redding, Roseville, and Santa Clara. The motion passed.

INFORMATIONAL ITEMS

12. NCPA Generation Services Plant Updates – NCPA Plant Staff provided the Committee with an informational update on current plant activities and conditions.

Hydro – December 2019 was a good month for precipitation, keeping the average percentages up for the current water year. However, January 2020 did not have much precipitation, so brought the percentages down to only 52% of normal by the end of the month. Hopefully the precipitation will pick back up again in the future.

CTs – The January operations were busy for CT1 with 32 actual starts of four that were forecasted. The FYTD is 209, with 30 of those starts in real time. CT2 had 0 starts with 0 forecasted. The FYTD is 36 for CT2. Alameda Unit 1 & 2 had nine mini forced outages due to electrical and control issues. There was one planned outage for CT1 Lodi. Work was done on the transformer heaters, valve position indication, CBIT, and some routine maintenance. The Generator Circuit Breaker Project has been deferred due to the parts being late. Staff did not want to extend the CT1 outage any longer than scheduled.

Geo – There were no safety incidents to report this past month. Vegetation management is continuing at Geo. Both Plant 1 and Plant 2 were up and running by the end of January. The Fulton and Lakeville transmission lines have been inter-tied with temporary jumper lines. These were installed January 22, and will be removed February 28. Staff are working to install a permanent switch. The Fulton transmission line will be down until February 29. The FY 2020 net generation is 350.1 GWh, which is 19% below what was forecasted, due to the Kincadee fire. Insulation repairs were done in both plants and the steam field. The P-7 wing valve was also repaired.

13. New Business Opportunities – Staff provided an update regarding new business opportunities.

Sonoma Clean Energy (SCE) issued a RFO on January 28, 2020. SCE is a well-established, operational CCA that began services in May 2014. The peak load is 500 MW, equaling 2,500 GWh. Services requested include scheduling coordinator services. Responses are due February 11, 2020. Staff will meet internally to discuss options.

A new CCA is forming in Butte County, Butte Choice Energy (BCE), which includes the City of Chico, and the County of Butte. The estimated load will be 1,000 GWh per year. Operations are

scheduled to commence January 1, 2021. BCE issued a RFP on January 28, 2020. The scope of services includes CAISO scheduling coordination, risk management, and power procurement. Proposals are due February 13, 2020. Staff will meet internally to discuss options. A proposal will likely be submitted with exceptions, such as posting collateral on behalf of BCE, and certain financing and credit obligations.

14. Planning and Operations Update –

- NCPA actively working to develop and publish a “Rolling” Renewable RFP on behalf of the Members – Staff is currently working to develop a RPS RFP similar to SCPPA’s rolling Renewable RFP. NCPA will work to develop a process for presenting offers to Members for consideration (possible dashboard), and present the draft to Members for comments, and questions.
- BAMx Agreement Development – The cities of Palo Alto, and Santa Clara are part of the BAMx Agreement with Flynn RCI, for transmission studies, which is expiring. A new agreement is being developed. Please contact Tony Zimmer if interested in becoming a participant of the BAMx Agreement.
- Western Base Resource Contract Negotiation Complete – Western has completed the negotiations for the new Base Resource Contract. Next steps include review of the draft contract. Please contact Tony Zimmer, or Vela Wann with any questions.

15. Next Meeting – A Special Facilities Committee meeting is scheduled for Wednesday, February 12, 2020 to review the FY 2021 budget. The next regular Facilities Committee meeting is scheduled for March 4, 2020.

ADJOURNMENT

The meeting was adjourned at 12:12 pm.

NCPA Facilities Committee Members, Alternates & Staff are requested to sign, but signature by members of the public is voluntary.

[illegible]

**Northern California Power Agency
February 5, 2020 Facilities Committee Meeting
Attendance List**

NCPA Facilities Committee Members are requested to sign, but signature by members of the public is voluntary.

| <u>MEMBER</u> | <u>NAME</u> |
|-------------------|-------------------------|
| ALAMEDA | |
| BART | |
| BIGGS | |
| GRIDLEY | |
| HEALDSBURG | |
| LODI | <i>Juay Chiang</i> |
| LOMPOC | |
| PALO ALTO | <i>Amila Broz</i> |
| PLUMAS-SIERRA REC | |
| PORT OF OAKLAND | |
| REDDING | |
| ROSEVILLE | <i>Brian Schinstock</i> |
| SANTA CLARA | <i>Basil Wong</i> |
| TID | |
| UKIAH | |



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Minutes - Draft

Date: February 19, 2020
To: NCPA Facilities Committee
From: Carrie Pollo
Subject: February 12, 2020 Special Facilities Committee Meeting Minutes

1. **Call Meeting to Order & Roll Call** – The meeting was called to order by Committee Chair Brian Schinstock at 9:04 am. A sign-in sheet was passed around. Attending via teleconference and/or on-line presentation were Alan Harbottle and Vidhi Chawla (Alameda), Mark Sorensen (Biggs), Paul Eckert (Gridley), Jiayo Chiang (Lodi), Tikan Singh (Lompoc), Poorvi Rao (Palo Alto), and Steve Hance (Santa Clara). Those attending in person are listed on the attached Attendee Sign-in Sheet. Committee Representatives from BART, Healdsburg, Port of Oakland, Redding, TID, and Ukiah were absent. A quorum of the Committee was established.

PUBLIC FORUM

No public comment.

2. **Generation Services Budget Presentation** – Staff provided an informational presentation on the Generation Services Facilities initial annual budget for FY 2021.

Geothermal Facilities

- Labor will increase by 3.55% at approximately \$380,469 due to MOU and COLA
- The total routine O&M costs proposed is \$19,231,405 which includes \$565,000 towards fire mitigation
- The total proposed O&M budget is \$33,033,199 increasing \$1,367,188, or 4.3% over FY 2020
- The requested amount for projects is \$1,625,000 for Capital Projects, and \$2,630,000 in Maintenance Reserve totaling \$4,255,000
- The total proposed FY 2021 budget for Geo is \$37,288,199 increasing by \$1,977,188 or 5.6% over FY 2020

The Geo proposed Capital Projects include: 1) Plant #1 Fire System Modernization; 2) Plant #1 MCC Breakers; 3) FMS Control Systems Upgrade; 4) Plant #1 and #2 Door Replacements; 5) Network Infrastructure Improvement; 6) Geo Admin and Maintenance Facility Upgrade; 6) Plant #2 Diesel Tank; and, 8) Vehicle Replacements. The Maintenance Reserve Projects will include: 1) Plant Overhauls; 2) Well Workovers; and, 3) Miscellaneous Projects.

Financial projections for the Geo budget assumptions are based on the Power Management forecast for FY 2021. The financial assumptions include renewable energy credits RECs (Bucket 1) valued at \$15.75 per MWh, and resource adequacy (RA) at \$66.00 per kW-Y. The generation

forecast for FY 2021 is 740.2 GWhs. The total value of the RECs is \$11,658,150, with the total RA value at \$5,576,850 for a combined total of \$17,235,000. The FY 2021 cost to Members is \$7,366,230, with a return in value to Members (RECs and RA) of \$9,868,770.

Hydroelectric Facilities

- Routine O&M costs are increasing approximately 5.7% for a total of \$224,957, due primarily to diving, cloud seeding, regulatory fees, and vegetation management
- Labor is increasing approximately \$513,173
- Total routine O&M cost plus labor is increasing by \$738,130
- The total projects budget has increased to \$6,580,000, due mainly to the McKays sediment collections and wildfire mitigation
- The FY 2021 proposed total Hydro budget is \$56,335,579, increasing \$2,261,478
- The debt obligation is the largest part of the Hydro budget which is \$33,388,263

The proposed O&M projects for Hydro were presented which include: 1) Union Dam Maintenance; 2) Lake Alpine Low Level Outlet Improvements; 3) CV Transformer Maintenance; and, 4) Control System Hardware Upgrade. Vehicle Replacement is under general and plant projects. The Capital Development Reserve Projects include: 1) McKays Reservoir and Dam Betterment (Clean Out); 2) Wildfire Mitigation Project; and, 3) Beaver Creek Dredging.

The proposed FY 2021 Hydro budget revenue assumptions is \$31,242,052, including ISO energy sales, ancillary services sales, and interest income. The net cost to participants will be \$3,832,428.

Combustion Turbine No. 1

Staff reviewed and discussed budget assumptions. The capacity value of CT1 is estimated to be \$66.00 per kW-Y. Projects identified are based on continued permit limited operation.

- The total proposed FY 2021 CT1 budget is \$7,797,936
- Net cost to Members is \$6,165,586

Staff are proposing two O&M projects which include: 1) Diesel Emissions/Electric Start; and, 2) Vehicles, which are shared between CT1 (90% share), CT2 (5%), and the Lodi Energy Center (5%). The CT1 Alameda Unit cannot start without a diesel engine electric start, per air regulations through the California Air District. No Capital or Maintenance Reserve Projects are planned.

Combustion Turbine No. 2

Staff reviewed and discussed budget assumptions. The capacity value of CT2 is estimated to be \$66.00 per kW-Y. The CT2 debt will be paid off in 2025. Air New Zealand is expected to service the LM5000 only until 2021. Staff expects to retire the STIG in 2026, or shortly after. The STIG can be upgraded and repowered with an LM6000.

- The total proposed FY 2021 CT2 budget is \$7,937,421, decreasing by \$1,526,277
- The net cost to Members is \$5,584,088, decreasing by \$1,264,367

Staff are proposing two O&M projects which include: 1) Ammonia System Major Maintenance; and, 2) Vehicles, which are shared between CT1 (90% share), CT2 (5%), and the Lodi Energy Center (5%). No Capital or Maintenance Reserve Projects are planned.

3. Administrative Services Budget Presentation – Staff provided an informational overview and presentation for the Administrative Services proposed budget for FY 2021.

The FY 2021 proposed annual budget for Administrative Services/Executive Services is \$16,859,959, increasing \$1,535,806. Salaries and benefits are proposed to increase by \$991,005, for three new Information Services (IS) full time positions, and student interns. Insurance amounts are also increasing by \$385,901 due to market hardening. Also, with new proposed Power Management services agreements, the agency will need to change from a low impact entity to a medium impact entity, increasing costs for computer hardware, software, and communications by \$540,315.

4. Power Management Budget Presentation – Staff gave a presentation and reviewed Power Management's purposed budget for FY 2021.

The proposed Power Management program costs are increasing by approximately \$1,322,268, from \$11,115,361 to \$12,437,629. Changes proposed in the FY 2021 budget include planning for transition from low to medium impact under NERC/WECC standards, with software and security enhancements. New staffing positions in IS, are requested to continue with software automation enhancements for programs used through Dispatch and Scheduling, as well as Pre-Scheduling, and for physical and cyber security. Power Management is requesting one full time employee in SCALD, which would be a lead dispatch position. This position would enable management of additional complex systems, as well as increase business resiliency, and staff development. There are no Power Management projects proposed for FY 2021.

ADJOURNMENT

The meeting was adjourned at 11:18 am, by Committee Chair Brian Schinstock.

**Northern California Power Agency
February 12, 2020 Special Facilities Committee Meeting
Attendance List**

NCPA Facilities Committee Members are requested to sign, but signature by members of the public is voluntary.

| <u>MEMBER</u> | <u>NAME</u> |
|--------------------------|-------------------------|
| ALAMEDA | |
| BART | |
| BIGGS | |
| GRIDLEY | |
| HEALDSBURG | |
| LODI | |
| LOMPOC | |
| PALO ALTO | |
| PLUMAS-SIERRA REC | <i>Mike Brozo</i> |
| PORT OF OAKLAND | |
| REDDING | |
| ROSEVILLE | <i>Bryan Schintrock</i> |
| SANTA CLARA | |
| TID | |
| UKIAH | |

NCPA Facilities Committee Members, Alternates & Staff are requested to sign, but signature by members of the public is voluntary.

[illegible]



Commission Staff Report – *DRAFT*

Date: March 4, 2020

COMMISSION MEETING DATE: March 26, 2020

SUBJECT: Integrity Inspections, LLC – Multi-Task General Services Agreement for Specialty Mechanical and Inspection Related Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---------------------------|-----------------------------------|
| FROM: | Joel Ledesma | METHOD OF SELECTION: |
| | Assistant General Manager | N/A |
| Division: | Generation Services | <i>If other, please describe:</i> |
| Department: | Combustion Turbines | |

| | | |
|---|--|--|
| IMPACTED MEMBERS: | | |
| All Members <input checked="" type="checkbox"/> | City of Lodi <input type="checkbox"/> | City of Shasta Lake <input type="checkbox"/> |
| Alameda Municipal Power <input type="checkbox"/> | City of Lompoc <input type="checkbox"/> | City of Ukiah <input type="checkbox"/> |
| San Francisco Bay Area Rapid Transit <input type="checkbox"/> | City of Palo Alto <input type="checkbox"/> | Plumas-Sierra REC <input type="checkbox"/> |
| City of Biggs <input type="checkbox"/> | City of Redding <input type="checkbox"/> | Port of Oakland <input type="checkbox"/> |
| City of Gridley <input type="checkbox"/> | City of Roseville <input type="checkbox"/> | Truckee Donner PUD <input type="checkbox"/> |
| City of Healdsburg <input type="checkbox"/> | City of Santa Clara <input type="checkbox"/> | Other <input type="checkbox"/> |
| <i>If other, please specify</i> | | |
| <hr/> | | |
| <hr/> | | |

RECOMMENDATION:

Approval of Resolution 20-XX authorizing the General Manager or his designee to enter into a Multi-Task General Services Agreement with Integrity Inspections, LLC for specialty mechanical and inspection related services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

It is recommended that this item be listed on the Commission Consent Calendar.

BACKGROUND:

Specialty mechanical and inspection related services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. Integrity Inspections, LLC is a new vendor whom NCPA has not had any previous agreements with. NCPA desires to enter into an agreement with this new vendor so established terms and conditions are in place should this vendor be the successful bidder on future projects. Additionally, adding this vendor will increase the pool of qualified vendors for these types of services. NCPA has agreements in place for similar services with Premium Inspection Company and Team Industrial.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee review.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task General Services Agreement with Integrity Inspections, LLC

RESOLUTION 20-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK GENERAL SERVICES AGREEMENT WITH INTEGRITY INSPECTIONS, LLC

(reference Staff Report #XXX:20)

WHEREAS, specialty mechanical and inspection related services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Integrity Inspections, LLC is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task General Services Agreement with Integrity Inspections, LLC to provide such services as needed at all NCPA facilities, NCPA Members, SCPPA, and SCPPA Member facilities in an amount not to exceed \$500,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task General Services Agreement with Integrity Inspections, LLC, with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for specialty mechanical and inspection related services, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2020 by the following vote on roll call:

| | <u>Vote</u> | <u>Abstained</u> | <u>Absent</u> |
|--------------------|-------------|------------------|---------------|
| Alameda | _____ | _____ | _____ |
| San Francisco BART | _____ | _____ | _____ |
| Biggs | _____ | _____ | _____ |
| Gridley | _____ | _____ | _____ |
| Healdsburg | _____ | _____ | _____ |
| Lodi | _____ | _____ | _____ |
| Lompoc | _____ | _____ | _____ |
| Palo Alto | _____ | _____ | _____ |
| Port of Oakland | _____ | _____ | _____ |
| Redding | _____ | _____ | _____ |
| Roseville | _____ | _____ | _____ |
| Santa Clara | _____ | _____ | _____ |
| Shasta Lake | _____ | _____ | _____ |
| Truckee Donner | _____ | _____ | _____ |
| Ukiah | _____ | _____ | _____ |
| Plumas-Sierra | _____ | _____ | _____ |

ROGER FRITH
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
GENERAL SERVICES AGREEMENT BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
INTEGRITY INSPECTIONS, LLC**

This Multi-Task General Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Integrity Inspections, LLC, an LLC, with its office located at 33520 Canvas Back Street, Woodland, CA 95695 ("Contractor") (together sometimes referred to as the "Parties") as of _____, 2020 ("Effective Date") in Roseville, California.

Section 1. SCOPE OF WORK. Subject to the terms and conditions set forth in this Agreement, Contractor is willing to provide to Agency the range of services and/or goods described in the Scope of Work attached hereto as Exhibit A and incorporated herein ("Work").

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Contractor completes the Work, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Contractor shall perform the Work in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged and for which Contractor is providing the Work. Contractor represents that it is licensed, qualified and experienced to provide the Work set forth herein.
- 1.3 Assignment of Personnel.** Contractor shall assign only competent personnel to perform the Work. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Contractor shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Work Provided.** Work provided under this Agreement by Contractor may include Work directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Work to be Performed.** At such time that Agency determines to have Contractor perform Work under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Work to be performed ("Requested Work"), may include a not-to-exceed cap on monetary cap on Requested Work and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Work shall be completed. Contractor shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Contractor chooses not to perform the Requested Work. If Contractor agrees to perform the Requested Work, begins to perform the Requested Work, or does not respond within the seven day period specified, then Contractor will have

agreed to perform the Requested Work on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. COMPENSATION. Agency hereby agrees to pay Contractor an amount **NOT TO EXCEED** FIVE HUNDRED THOUSAND dollars (\$500,000.00) for the Work, which shall include all fees, costs, expenses and other reimbursables, as set forth in Contractor's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Contractor, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Work performed;
- The Purchase Order number authorizing the Requested Work;
- At Agency's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction;
- At Agency's option, the total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing work hereunder.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 Monthly Payment. Agency shall make monthly payments, based on invoices received, for Work satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 Payment of Taxes. Contractor is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 Authorization to Perform Work. The Contractor is not authorized to perform any Work or incur any costs whatsoever under the terms of this Agreement until receipt of a Purchase Order from the Contract Administrator.

- 2.5 Timing for Submittal of Final Invoice.** Contractor shall have ninety (90) days after completion of the Requested Work to submit its final invoice for the Requested Work. In the event Contractor fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Contractor is deemed to have waived its right to collect its final payment for the Requested Work from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Work.

Section 4. INSURANCE REQUIREMENTS. Before beginning any Work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 Workers' Compensation.** If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars (\$1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Commercial General Insurance. Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Automobile Liability. Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off Agency premises. The policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

- 4.3 Professional Liability Insurance.** Contractor shall maintain professional liability insurance appropriate to Contractor's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Contractor's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000.00) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.
- 4.4 Pollution Insurance.** Not Applicable.
- 4.5 All Policies Requirements.**
- 4.5.1 Verification of coverage.** Prior to beginning any work under this Agreement, Contractor shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2 and in Section 4.4, if applicable, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.
- 4.5.2 Notice of Reduction in or Cancellation of Coverage.** Contractor shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.
- 4.5.3 Higher Limits.** If Contractor maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Contractor.
- 4.5.4 Additional Certificates and Endorsements.** If Contractor performs Work for Agency members, SCPPA and/or SCPPA members pursuant to this Agreement, Contractor shall provide the certificates of insurance and policy endorsements, as referenced in Section 4.5.1, naming the specific Agency member, SCPPA and/or SCPPA member for which the Work is to be performed.
- 4.5.5 Waiver of Subrogation.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the

Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Contractor, its employees, agents and subcontractors.

- 4.6 Contractor's Obligation.** Contractor shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Work are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Contractor shall also ensure that all workers involved in the provision of Work are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES.

- 5.1 Effect of Insurance.** Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 5.2 Scope.** Contractor shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 5.3 Transfer of Title.** Not Applicable.

Section 6. STATUS OF CONTRACTOR.

- 6.1 Independent Contractor.** Contractor is an independent contractor and not an employee of Agency. Agency shall have the right to control Contractor only insofar as the results of Contractor's Work and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Contractor accomplishes Work rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement

System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Contractor shall indemnify, defend, and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Contractor and Agency acknowledge and agree that compensation paid by Agency to Contractor under this Agreement is based upon Contractor's estimated costs of providing the Work, including salaries and benefits of employees, agents and subcontractors of Contractor.

Contractor shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Contractor's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Contractor agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Contractor shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Contractor.

- 6.2 Contractor Not Agent.** Except as Agency may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Agency. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Contractor shall supervise all work subcontracted by Contractor in performing the Work and shall be responsible for all work performed by a subcontractor as if Contractor itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Contractor from any of its obligations under this Agreement with respect to the Work and Contractor is obligated to ensure that any and all subcontractors performing any Work shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit C.
- 6.5 **Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Contractor shall, at the same time it executes this Agreement, execute Exhibit D.
- 6.6 **Maintenance Labor Agreement.** If the Work is subject to the terms of one or more Maintenance Labor Agreements, which are applicable only to certain types of construction, repair and/or maintenance projects, then Contractor shall execute Exhibit E and/or similar documentation as to compliance.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Contractor and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Contractor represents and warrants to Agency that Contractor and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.
- 7.4 **Monitoring by DIR.** The Work is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- 7.5 **Registration with DIR.** During the term of this Agreement, Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform Work consistent with Labor Code section 1725.5.
- 7.6 **Prevailing Wage Rates.** In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed; the Agency has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project; and copies of the prevailing rate of per diem wages are on file at the Agency and will be made available on request. Throughout the performance of the Work, Contractor must comply with all

applicable laws and regulations that apply to wages earned in performance of the Work. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the Agency harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker or any other third party with regard thereto.

Additionally, in accordance with the California Administrative Code, Title 8, Group 3, Article 2, Section 16000, Publication of Prevailing Wage Rates by Awarding Bodies, copies of the applicable determination of the Director can be found on the web at: <http://www.dir.ca.gov/DLSR/PWD/> and may be reviewed at any time.

Contractor shall provide a certified copy of its payroll, on forms to be determined by the Agency and consistent with the Labor Code, within ten (10) days of the Contractor's receipt of Agency's written request therefor. Contractor's failure to timely comply with this provision may subject the Contractor to penalties pursuant to state law.

Contractor shall comply with applicable law, including Labor Code Sections 1774 and 1775. In accordance with Section 1775, Contractor shall forfeit as a penalty to Agency \$200.00 for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for such work or craft in which such worker is employed for any Work done under the Agreement by Contractor or by any subcontractor under Contractor in violation of the provisions of the Labor Code and in particular, Labor Code Sections 1770 *et seq.* In addition to the penalty and pursuant to Section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** Agency may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to Contractor.

In the event of termination, Contractor shall be entitled to compensation for Work satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Contractor delivering to Agency any or all records or documents (as referenced in Section 9.1 hereof).

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by both of the Parties.

- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Contractor shall survive the termination of this Agreement.

8.4 Options upon Breach by Contractor. If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:

8.4.1 Immediately terminate the Agreement;

8.4.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.4.3 Retain a different Contractor to complete the Work not finished by Contractor; and/or

8.4.4 Charge Contractor the difference between the costs to complete the Work that is unfinished at the time of breach and the amount that Agency would have paid Contractor pursuant hereto if Contractor had completed the Work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Contractor's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Contractor hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Contractor agree that, unless approved by Agency in writing, Contractor shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.

9.2 Contractor's Books and Records. Contractor shall maintain any and all records or other documents evidencing or relating to charges for Work or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Contractor under this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under this Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as Confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose (the "Disclosing Party") Confidential Information to the other party (the "Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confidence; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are

necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. PROJECT SITE.

- 10.1 Operations at the Project Site.** Each Project site may include the power plant areas, all buildings, offices, and other locations where Work is to be performed, including any access roads. Contractor shall perform the Work in such a manner as to cause a minimum of interference with the operations of the Agency; if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4; and other contractors at the Project site and to protect all persons and property thereon from damage or injury. Upon completion of the Work at a Project site, Contractor shall leave such Project site clean and free of all tools, equipment, waste materials and rubbish, stemming from or relating to Contractor's Work.
- 10.2 Contractor's Equipment, Tools, Supplies and Materials.** Contractor shall be solely responsible for the transportation, loading and unloading, and storage of any equipment, tools, supplies or materials required for performing the Work, whether owned, leased or rented. Neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, will be responsible for any such equipment, supplies or materials which may be lost, stolen or damaged or for any additional rental charges for such. Equipment, tools, supplies and materials left or stored at a Project site, with or without permission, is at Contractor's sole risk. Anything left on the Project site an unreasonable length of time after the Work is completed shall be presumed to have been abandoned by the Contractor. Any transportation furnished by Agency or, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall be solely as an accommodation and neither Agency nor, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, shall have liability therefor. Contractor shall assume the risk and is solely responsible for its owned, non-owned and hired automobiles, trucks or other motorized vehicles as well as any equipment, tools, supplies, materials or other property which is utilized by Contractor on the Project site. All materials and supplies used by Contractor in the Work shall be new and in good condition.
- 10.3 Use of Agency Equipment.** Contractor shall assume the risk and is solely responsible for its use of any equipment owned and property provided by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4, for the performance of Work.

Section 11. WARRANTY.

- 11.1 Nature of Work.** In addition to any and all warranties provided or implied by law or public policy, Contractor warrants that all Work shall be free from defects in

design and workmanship, and that Contractor shall perform all Work in accordance with applicable federal, state, and local laws, rules and regulations including engineering, construction and other codes and standards and prudent electrical utility standards, and in accordance with the terms of this Agreement.

11.2 Deficiencies in Work. In addition to all other rights and remedies which Agency may have, Agency shall have the right to require, and Contractor shall be obligated at its own expense to perform, all further Work which may be required to correct any deficiencies which result from Contractor's failure to perform any Work in accordance with the standards required by this Agreement. If during the term of this Agreement or the one (1) year period following completion of the Work, any equipment, supplies or other materials or Work used or provided by Contractor under this Agreement fails due to defects in material and/or workmanship or other breach of this Agreement, Contractor shall, upon any reasonable written notice from Agency, replace or repair the same to Agency's satisfaction.

11.3 Assignment of Warranties. Contractor hereby assigns to Agency all additional warranties, extended warranties, or benefits like warranties, such as insurance, provided by or reasonably obtainable from suppliers of equipment and material used in the Work.

Section 12. HEALTH AND SAFETY PROGRAMS. The Contractor shall establish, maintain, and enforce safe work practices, and implement an accident/incident prevention program intended to ensure safe and healthful operations under their direction. The program shall include all requisite components of such a program under Federal, State and local regulations and shall comply with all site programs established by Agency and, if applicable, the entity for which Contractor is performing the Work, as referenced in Section 1.4.

12.1 Contractor is responsible for acquiring job hazard assessments as necessary to safely perform the Work and provide a copy to Agency upon request.

12.2 Contractor is responsible for providing all employee health and safety training and personal protective equipment in accordance with potential hazards that may be encountered in performance of the Work and provide copies of the certified training records upon request by Agency. Contractor shall be responsible for proper maintenance and/or disposal of their personal protective equipment and material handling equipment.

12.3 Contractor is responsible for ensuring that its lower-tier subcontractors are aware of and will comply with the requirements set forth herein.

12.4 Agency, or its representatives, may periodically monitor the safety performance of the Contractor performing the Work. Contractors and its subcontractors shall be required to comply with the safety and health obligations as established in the Agreement. Non-compliance with safety, health, or fire requirements may result in cessation of work activities, until items in non-compliance are corrected. It is also expressly acknowledged, understood and agreed that no payment shall be due from Agency to Contractor under this Agreement at any time when, or for

any Work performed when, Contractor is not in full compliance with this Section 12.

- 12.5** Contractor shall immediately report any injuries to the Agency site safety representative. Additionally, the Contractor shall investigate and submit to the Agency site safety representative copies of all written accident reports, and coordinate with Agency if further investigation is requested.
- 12.6** Contractor shall take all reasonable steps and precautions to protect the health of its employees and other site personnel with regard to the Work. Contractor shall conduct occupational health monitoring and/or sampling to determine levels of exposure of its employees to hazardous or toxic substances or environmental conditions. Copies of any sampling results will be forwarded to the Agency site safety representative upon request.
- 12.7** Contractor shall develop a plan to properly handle and dispose of any hazardous wastes, if any, Contractor generates in performing the Work.
- 12.8** Contractor shall advise its employees and subcontractors that any employee who jeopardizes his/her safety and health, or the safety and health of others, may be subject to actions including removal from Work.
- 12.9** Contractor shall, at the sole option of the Agency, develop and provide to the Agency a Hazardous Material Spill Response Plan that includes provisions for spill containment and clean-up, emergency contact information including regulatory agencies and spill sampling and analysis procedures. Hazardous Materials shall include diesel fuel used for trucks owned or leased by the Contractor.
- 12.10** If Contractor is providing Work to an Agency Member, SCPPA or SCPPA member (collectively "Member" solely for the purpose of this section) pursuant to Section 1.4 hereof, then that Member shall have the same rights as the Agency under Sections 12.1, 12.2, 12.4, 12.5, and 12.6 hereof.

Section 13. MISCELLANEOUS PROVISIONS.

- 13.1** **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 13.2** **Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 13.3** **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this

Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

13.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

13.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

13.6 Conflict of Interest. Contractor may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

13.7 Contract Administrator. This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

13.8 Notices. Any written notice to Contractor shall be sent to:

Integrity Inspections, LLC
Attention: Jay Locatelli
33520 Canvas Back Street
Woodland, CA 95695

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 13.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 13.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 13.11 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Contractor agree to resolve the dispute in accordance with the following:
- 13.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
 - 13.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 13.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 13.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
 - 13.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
 - 13.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 13.12 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Contractor's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Contractor's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Contractor's Proposal, the Purchase Order shall control.

13.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

13.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

13.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Contractor provide Work to an Agency member, SCPPA or SCPPA member (collectively for the purpose of this section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Work relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

INTEGRITY INSPECTIONS, LLC

Date_____

Date_____

RANDY S. HOWARD
General Manager

JAY LOCATELLI,
Owner / CEO

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
SCOPE OF WORK

Integrity Inspections, LLC ("Contractor") shall provide, specialty mechanical and inspection services as requested by the Northern California Power Agency ("Agency"), NCPA Members, SCPPA, and/or SCPPA Members.

Services to include, but shall not be limited to the following:

On-Steam Services:

- Energy Management
- Emissions Control
- Engineering and Project Management Services

Turnaround/Outage Services:

- 3-D Measurement and Inspection Services
- Inspection (NDE/NDT)
- Engineering and Outage Management Services

No project under this Agreement shall include Work that would qualify as a Public Works Project under the California Public Contract Code.

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all work, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 hereof. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

| Labor 1 | S.T. | O.T. | P.T. |
|-----------------------------|-------------|-------------|-------------|
| Group I ASNT Level II & III | \$136.06 | \$176.58 | \$217.10 |
| Group 2 AWS CWI | \$132.46 | \$171.18 | \$209.90 |
| Group 3 | \$121.41 | \$154.60 | \$187.79 |
| Group 4 NACE & Level I | \$112.00 | \$140.48 | \$168.97 |

Equipment - NDE

| | | |
|--|-------------|------------|
| Magnetic Particle Equipment 1&2 | Rate | UOM |
| Magnetic Particle Portable Yokes | \$50.00 | Shift |
| Magnetic Particle Machines and Accessories (0-6000 amps) | \$700.00 | Shift |
| Ultrasonic Equipment 1&2 | Rate | UOM |
| Ultrasonic Thickness Meter | \$75.00 | Shift |
| Ultrasonic Flaw Detector | \$250.00 | Shift |
| AUT System | \$900.00 | Shift |
| Phased Array Unit | \$800.00 | Shift |
| HydroFORM Scanner / Chain Scanner | \$250.00 | Shift |
| Cobra Tube Scanner | \$250.00 | Shift |
| Transducers | | |
| Radiographic Equipment 1&2 | Rate | UOM |
| Pick-up Truck Mounted Darkroom | \$125.00 | Shift |
| Mobile Dark Room Trailer | \$500.00 | Week |
| Selenium 75 Source | \$300.00 | Shift |
| Iridium 192 Source | \$100.00 | Shift |
| Cobalt 60 Source | \$700.00 | Shift |
| Computerized Digital RT Equipment & Software Station 3 | \$750.00 | Shift |
| Phosphorous Plates (for supplemental plates) | \$40.00 | Shift/Each |
| Positive Material Identification 1&2 | Rate | UOM |
| Positive Material Identification | \$400.00 | Shift |
| Positive Material Identification with Carbon Content | \$1,000.00 | Shift |
| Ferrite Tester / Hardness Tester | \$250.00 | Shift |
| Rate | UOM | |
| Ferrous & Non-Ferrous Tester (ET/RFT/MFL) | \$900.00 | Shift |
| IRIS Tester | \$800.00 | Shift |
| Array Probe Usage (Charge per tube inspected) | \$12.00 | Per Tube |
| Probe Usage (Charge per tube inspected) | \$3.20 | Per Tube |
| Analysis System | \$20.00 | Shift |
| Calibration standards (Special Order Only) | | |

| | | |
|--|-------------|------------|
| Tank Inspection Equipment 1&2 | Rate | UOM |
| MFE Floor Scanner | \$300.00 | Shift |
| Tank Crawler | \$600.00 | Shift |
| Remote Viewing | Rate | UOM |
| Borescope | \$500.00 | Shift |

Borescope, Rental

Note: Shift is defined as 12 hours or less unless stated otherwise.

1 A minimum equipment charge of 1 single shift per day applies.

2 All Equipment rates are based on a single shift operation.

For two (2) shift usage calculate by a 2.0 multiplier

3 20 plates are provided with equipment package,

| | | |
|--|-------------|--------------------|
| Consumable Materials - NDE | Rate | UOM |
| Radiographic Film | \$0.30 | Square Inch |
| 1Dry Magnetic Powder | \$25.00 | Pound |
| 14 AM Prepared Bath (Aerosol) | \$25.00 | Can |
| Bulk Wet Magnetic Particle | \$25.00 | Quart |
| Aerosol Cleaner | \$25.00 | Can |
| Aerosol Penetrate | \$25.00 | Can |
| Aerosol Penetrant Developer | \$25.00 | Can |
| Cold Couplant (Ambient to120°F) | \$10.00 | Quart |
| Medium Temperature Couplant (120°F to 400°F) | \$25.00 | Ounce |
| High Temperature Couplant (400°F to 900°F) | \$75.00 | Tube |
| Brinell Hardness Reading per Impression (Plus Labor) | \$5.00 | Each Impression |
| 50 lb. Box of Lint Free Rags | \$100.00 | Box |

| | | |
|--|-------------|------------|
| Miscellaneous | Rate | UOM |
| Site Vehicle ½ Ton to ¾ Ton | \$100.00 | Shift |
| Site Vehicle 1 Ton or Larger (DOT Required) | \$125.00 | Shift |
| Portable Generator w/fuel | \$50.00 | Day |
| All Third Party Rental Equipment, Supplies, Materials, Freight | Cost + 10% | |

| | | |
|---|-------------|------------|
| Travel, Meals & Lodging | Rate | UOM |
| Lodging & Meals | \$180.00 | |
| Lodging - (where adequate or affordable lodging is unavailable) | Cost + 10% | |
| Meals Only | \$50.00 | |
| Mileage (Minimum 20 miles per Trip) | \$0.75 | Mile |
| Airfares (Timekeeper rates may apply for Managing) | Cost + 10% | |
| Rental Vehicle and Gasoline | Cost +10% | |

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Contractor for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C

CERTIFICATION

Affidavit of Compliance for Contractors

I,

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Integrity Inspections, LLC

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 _____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT D

CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

NOT APPLICABLE

EXHIBIT E

**ATTACHMENT A [from MLA]
AGREEMENT TO BE BOUND**

**MAINTENANCE LABOR AGREEMENT ATTACHMENT
LODI ENERGY CENTER PROJECT**

The undersigned hereby certifies and agrees that:

- 1) It is an Employer as that term is defined in Section 1.4 of the Lodi Energy Center Project Maintenance Labor Agreement ("Agreement" solely for the purposes of this Exhibit E) because it has been, or will be, awarded a contract or subcontract to assign, award or subcontract Covered Work on the Project (as defined in Section 1.2 and 2.1 of the Agreement), or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.
- 2) In consideration of the award of such contract or subcontract, and in further consideration of the promises made in the Agreement and all attachments thereto (a copy of which was received and is hereby acknowledged), it accepts and agrees to be bound by the terms and condition of the Agreement, together with any and all amendments and supplements now existing or which are later made thereto.
- 3) If it performs Covered Work, it will be bound by the legally established trust agreements designated in local master collective bargaining agreements, and hereby authorizes the parties to such local trust agreements to appoint trustees and successor trustee to administer the trust funds, and hereby ratifies and accepts the trustees so appointed as if made by the undersigned.
- 4) It has no commitments or agreements that would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 5) It will secure a duly executed Agreement to be Bound, in form identical to this documents, from any Employer(s) at any tier or tiers with which it contracts to assign, award, or subcontract Covered Work, or to authorize another party to assign, award or subcontract Covered Work, or to perform Covered Work.

DATED: _____ Name of Employer _____

(Authorized Officer & Title)

(Address)



Commission Staff Report – *DRAFT*

Date: March 4, 2020

COMMISSION MEETING DATE: March 26, 2020

SUBJECT: Hunt & Sons, Inc. – Five Year Multi-Task Agreement for Purchase of Equipment, Materials and Supplies for Diesel Fuels, Propane, Unleaded Fuel, Oils and Lubricants; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---------------------------|-----------------------------------|
| FROM: | Joel Ledesma | METHOD OF SELECTION: |
| | Assistant General Manager | N/A |
| Division: | Generation Services | <i>If other, please describe:</i> |
| Department: | Combustion Turbines | |

| | | |
|---|--|--|
| IMPACTED MEMBERS: | | |
| All Members <input checked="" type="checkbox"/> | City of Lodi <input type="checkbox"/> | City of Shasta Lake <input type="checkbox"/> |
| Alameda Municipal Power <input type="checkbox"/> | City of Lompoc <input type="checkbox"/> | City of Ukiah <input type="checkbox"/> |
| San Francisco Bay Area Rapid Transit <input type="checkbox"/> | City of Palo Alto <input type="checkbox"/> | Plumas-Sierra REC <input type="checkbox"/> |
| City of Biggs <input type="checkbox"/> | City of Redding <input type="checkbox"/> | Port of Oakland <input type="checkbox"/> |
| City of Gridley <input type="checkbox"/> | City of Roseville <input type="checkbox"/> | Truckee Donner PUD <input type="checkbox"/> |
| City of Healdsburg <input type="checkbox"/> | City of Santa Clara <input type="checkbox"/> | Other <input type="checkbox"/> |
| <i>If other, please specify</i> | | |
| <hr/> | | |
| <hr/> | | |

RECOMMENDATION:

Approval of Resolution XX-XX authorizing the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Hunt & Sons, Inc. for the purchase of diesel fuels, propane, unleaded fuels, oils and lubricants, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for use at all facilities owned and/or operated by NCPA.

It is recommended that this item be listed on the Commission Consent Calendar.

BACKGROUND:

Diesel fuels, propane, unleaded fuels, oils and lubricants are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA. NCPA had a previous agreement in place with Hunt & Sons, Inc., which is running low on funds and expiring. NCPA has utilized this vendor in the past, and has a good working relationship with the vendor. NCPA desires to enter into this agreement so established terms and conditions are in place should this vendor be the successful bidder on future projects. NCPA has agreements in place for similar purchases with George Lowry, Inc., Redwood Coast Fuels, Southern Counties Lubricants, LLC, Valley Pacific Petroleum Service, Inc. and Westgate Petroleum.

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$500,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the best overall value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee review.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Hunt & Sons, Inc.

RESOLUTION 20-XX

RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY APPROVING A MULTI-TASK AGREEMENT FOR PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES WITH HUNT & SONS, INC.

(reference Staff Report #XXX:20)

WHEREAS, diesel fuels, propane, unleaded fuels, oils and lubricants are periodically required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA); and

WHEREAS, Hunt & Sons, Inc. is a supplier of these materials; and

WHEREAS, NCPA seeks to enter into a Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Hunt & Sons, Inc. to provide such materials as needed at all NCPA facilities in an amount not to exceed \$500,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Agreement for Purchase of Equipment, Materials and Supplies with Hunt & Sons, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$500,000 over five years, for the purchase of diesel fuels, propane, unleaded fuels, oils and lubricants, for use at all facilities owned and/or operated by NCPA.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2020 by the following vote on roll call:

| | <u>Vote</u> | <u>Abstained</u> | <u>Absent</u> |
|--------------------|-------------|------------------|---------------|
| Alameda | _____ | _____ | _____ |
| San Francisco BART | _____ | _____ | _____ |
| Biggs | _____ | _____ | _____ |
| Gridley | _____ | _____ | _____ |
| Healdsburg | _____ | _____ | _____ |
| Lodi | _____ | _____ | _____ |
| Lompoc | _____ | _____ | _____ |
| Palo Alto | _____ | _____ | _____ |
| Port of Oakland | _____ | _____ | _____ |
| Redding | _____ | _____ | _____ |
| Roseville | _____ | _____ | _____ |
| Santa Clara | _____ | _____ | _____ |
| Shasta Lake | _____ | _____ | _____ |
| Truckee Donner | _____ | _____ | _____ |
| Ukiah | _____ | _____ | _____ |
| Plumas-Sierra | _____ | _____ | _____ |

ROGER FRITH
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



**MULTI-TASK
AGREEMENT FOR PURCHASE OF
EQUIPMENT, MATERIALS AND SUPPLIES
BETWEEN
THE NORTHERN CALIFORNIA POWER AGENCY AND
HUNT & SONS, INC.**

This Agreement for Purchase of Equipment, Materials and Supplies ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency, with its main offices located at 651 Commerce Drive, Roseville, CA, 95678-6420 ("Agency") and Hunt & Sons, Inc., ("Supplier"), whose principal office is located at 5750 South Watt Avenue, Sacramento, CA 95829 (together sometimes referred to as the "Parties") as of _____, 2020 (the "Effective Date").

Section 1. SCOPE. In accordance with the terms and conditions set forth in this Agreement, Supplier is willing to deliver the equipment, materials and supplies ("Goods") described in Exhibit A, attached hereto and incorporated herein to the designated Project Site, DDP, when requested by the Agency. Supplier shall be responsible at its sole expense for delivering the Goods to the designated Project Site and title shall not pass until the Agency accepts delivery at this Site. In the event of a conflict or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

Section 2. PROJECT SITE. Goods provided under this Agreement by Supplier may include Goods delivered directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members. The "designated Project Site", as that term is used herein, shall mean the site for delivery, DDP, whether at a facility owned and/or operated by Agency, an Agency member, SCPPA, or a SCPPA member.

Section 3. TERM OF AGREEMENT. This Agreement shall begin upon Effective Date and shall end on the earlier of five (5) years after the Effective Date or when Supplier has provided to Agency the Goods described in Exhibit A.

Section 4. REQUEST FOR GOODS. At such time that Agency determines to have Supplier provide Goods under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific Goods to be provided ("Requested Goods"), may include a not-to-exceed cap or monetary cap on the Requested Goods and all related expenditures authorized by that Purchase Order, and shall include a time by which the Requested Goods shall be delivered. Supplier shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Supplier chooses not to provide the Requested Goods. If Supplier agrees to provide the Requested Goods, begins to provide the Requested Goods, or does not respond within the seven day period specified, then Supplier will have agreed to provide the Requested Goods on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 5. COMPENSATION. Agency hereby agrees to pay Supplier for the Goods an amount not to exceed FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) as total compensation under this Agreement, which includes all shipping, taxes (if applicable), insurance, delivery charges, and any other fees, costs or charges. This dollar amount is not a

guarantee that Agency will pay that full amount to the Supplier, but is merely a limit of potential Agency expenditures under this Agreement.

- 5.1 Invoices.** Supplier shall have ninety (90) days after the delivery of Goods to invoice Agency for all amounts due and outstanding under this Agreement. Supplier shall include the number of the Purchase Order which authorized the Goods for which Supplier is seeking payment. In the event Supplier fails to invoice Agency for all amounts due within such ninety (90) day period, Supplier waives its right to collect payment from Agency for such amounts. All invoices shall be submitted to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

- 5.2 Payment.** Agency shall pay all invoices within thirty (30) days of the receipt of any invoice for Goods satisfactorily received.
- 5.3 Timing for Submittal of Final Invoice.** Supplier shall have ninety (90) days after delivery of the Requested Goods to submit its final invoice for the Requested Goods. In the event Supplier fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Supplier is deemed to have waived its right to collect its final payment for the Requested Goods from Agency.

Section 6. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Supplier, at its own cost and expense, shall procure the types and amounts of insurance listed below for the period covered by the Agreement.

- 6.1 Workers' Compensation.** If Supplier employs any person, Supplier shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Supplier with limits of not less than one million dollars (\$1,000,000) per accident.
- 6.2 Automobile Liability.** Supplier shall maintain automobile liability insurance for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle, whether or not owned by the Supplier, on or off Agency premises. The policy shall provide a minimum limit of \$3,000,000 per each accident, with \$5,000,000 aggregate. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment utilized in the transport of the Goods to the Agency's Project Site.
- 6.3 Commercial General Liability (CGL).** Supplier shall maintain commercial general liability coverage covering Goods, including product liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Supplier in regard to this Agreement with not less than

\$3,000,000/\$5,000,000 aggregate for bodily injury and property damage, on an occurrence basis. No endorsement shall be attached limiting the coverage.

- 6.4 General Liability/Umbrella Insurance.** The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

6.5 All Policies Requirements.

6.5.1 Verification of Coverage. Prior to beginning any work under this Agreement, Supplier shall, at the sole option of the Agency, provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the automobile liability policy and the CGL policy adding the Northern California Power Agency as an Additional Insured and declaring such insurance primary in regard to work performed pursuant to this Agreement and that Agency's insurance is excess and non-contributing.

6.5.2 Notice of Reduction in or Cancellation of Coverage. Supplier agrees to provide at least thirty (30) days prior written notice of any cancellation or reduction in scope or amount of the insurance required under this Agreement.

6.5.3 Waiver of Subrogation. Supplier agrees to waive subrogation which any insurer of Supplier may acquire from Supplier by virtue of the payment of any loss. Supplier agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.

6.5.4 Self-Insured Retention. Supplier shall declare the amount of the self-insured retention to the Agency; the amount shall be not more than \$100,000.

6.5.5 Additional Certificates and Endorsements. If Supplier provides Goods to Agency members, SCPPA, and/or SCPPA members pursuant to this Agreement, Supplier shall provide certificates of insurance and/or policy endorsements, as referenced in Section 6.5.1, naming the specific Agency member, SCPPA or SCPPA member.

- 6.6 Pollution Insurance.** If Contractor's Work involves its transporting hazardous materials, then Contractor shall obtain and maintain Contractors' Pollution Liability Insurance of not less than two million dollars (\$2,000,000) for any one occurrence and not less than four million dollars (\$4,000,000) aggregate. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on "an occurrence" basis. In addition, Contractor shall ensure that such insurance complies with any applicable requirements of the California Department of Toxic Substances Control and California regulations relating to the transport of hazardous materials (Health & Safety Code sections 25160 *et seq.*).

“Hazardous Materials” means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed, or controlled pursuant to any national, state, or local law, statute, ordinance, directive, regulation, or other legal requirement of the United States.

Section 7. WARRANTY. In addition to any and all warranties provided or implied by law or public policy, or any other warranties provided by Supplier, Supplier warrants that all Goods are free from defects in design and workmanship; comply with applicable federal, state and local laws and regulations; are new, of good quality and workmanship, and free from defects; are suitably safe and sufficient for the purpose for which they are normally used; and are not subject to any liens or encumbrances. Supplier shall provide all Goods in accordance with all applicable engineering, construction and other codes and standards, in accordance with prudent electrical utility standards, and in accordance with the terms of this Agreement applicable to such Goods, all with the degree of high quality and workmanship expected from purveyors engaged in the practice of providing materials and supplies of a similar nature. Moreover, if, during the term of this Agreement (or during the one (1) year period following the term hereof, unless Supplier’s warranty is for greater than one (1) year, in which case Supplier’s warranty shall be applied), the Goods provided by Supplier under this Agreement fail due to defects in material and/or workmanship or other breach of this Agreement, Supplier shall, upon any reasonable written notice from Agency, replace or repair the same to Agency’s satisfaction.

Section 8. INDEMNIFICATION AND SUPPLIER’S RESPONSIBILITIES.

- 8.1 Effect of Insurance.** Agency’s acceptance of insurance certificates and endorsements required under this Agreement does not relieve Supplier from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Supplier acknowledges and agrees to the provisions of this section and that it is a material element of consideration.
- 8.2 Scope.** Supplier shall indemnify, defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency, and its officials, commissioners, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions by Supplier, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of Agency. Notwithstanding, should this Agreement be construed as a construction agreement under Civil Code section 2783, then the exception referenced above shall also be for the active negligence of Agency.
- 8.3 Transfer of Title.** Supplier shall be deemed to be in exclusive possession and control of the Goods and shall be responsible for any damages or injury caused thereby, including without limitation any spills, leaks, discharges or releases of any Goods, until Agency accepts delivery at its Site. For the purposes of this

Agreement, such acceptance shall occur after Supplier or its agents complete transfer of the Goods into appropriate containers, machinery, storage tanks or other storage apparatus identified by NCPA. In the event a spill, leak, discharge or release requires notification to a federal, state or local regulatory agency, Supplier shall be responsible for all such notifications. Should Supplier be required to remedy or remove Goods as a result of a leak, spill, release or discharge of Goods into the environment at Agency's Site or elsewhere, Supplier agrees to remediate, remove or cleanup Agency's Site to a level sufficient to receive a "No Further Action Required" or "Closure Letter" from the appropriate regulatory authority.

Section 9. MISCELLANEOUS PROVISIONS.

- 9.1 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Supplier and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.
- 9.2 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.
- 9.3 Compliance with Applicable Law.** Supplier shall comply with all applicable federal, state, and local laws, rules and regulations in regard to this Agreement and the Goods supplied hereunder.
- 9.4 Construction of Agreement.** The Parties agree that the usual construction of an agreement against the drafting party shall not apply here.
- 9.5 Supplier's Status.** Supplier is an independent contractor and not an employee or agent of NCPA.
- 9.6 Non-assignment.** Supplier may not assign this Agreement without the prior written consent of NCPA, which shall not be unreasonably withheld.
- 9.7 Governing Law.** This Agreement and all matters pertaining to it, shall be governed by the laws of the State of California and venue shall lie in Placer County or in the county to which the Goods are delivered.
- 9.8 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 9.9 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in

whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

9.10 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

9.11 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

9.12 Conflict of Interest. Supplier may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Supplier in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Supplier shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

9.13 Contract Administrator. This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency's representative. All correspondence shall be directed to or through the representative.

9.14 Notices. Any written notice to Supplier shall be sent to:

Hunt & Sons, Inc.
5750 South Watt Avenue
Sacramento, CA 95829

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 9.15 Alternative Dispute Resolution.** If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Supplier agree to resolve the dispute in accordance with the following:
- 9.15.1** Each party shall designate a senior management or executive level representative to negotiate any dispute.
 - 9.15.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
 - 9.15.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
 - 9.15.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
 - 9.15.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
 - 9.15.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative remedy prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*
- 9.16 Controlling Provisions.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, and Supplier's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Supplier's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Supplier's Proposal (if any), the Purchase Order shall control.
- 9.17 Certification as to California Energy Commission.** If requested by the Agency, Supplier shall, at the same time it executes this Agreement, execute Exhibit B.
- 9.18 Certification as to California Energy Commission Regarding Hazardous Materials Transport Vendors.** If requested by the Agency, Supplier shall, at the same time it executes this Agreement, execute Exhibit C.
- 9.19 No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Supplier provide Goods to an Agency member, SCPPA and/or

a SCPPA member (collectively for the purposes of this section only "Member") pursuant to section 2, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Goods relating to such Member.

9.20 Amendments. The Parties may amend this Agreement only by a writing signed by both of the Parties.

The Parties have executed this Agreement as of the date signed by the Agency.

| | |
|---|--|
| NORTHERN CALIFORNIA POWER AGENCY | HUNT & SONS, INC. |
| Date: _____ | Date: _____ |
| _____ RANDY S. HOWARD, General Manager | _____ JOE HUNT, President |

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A
PURCHASE LIST

Hunt & Sons, Inc. ("Supplier") shall provide the following as requested by the Northern California Power Agency ("Agency") at any facilities owned or operated by Agency.

Materials to include, but not be limited to, the following:

- Diesel Fuel
- Propane
- Unleaded Fuels
- Oils & Lubricants
- Fuel Equipment

Rates will be proposed at the time materials are needed.

EXHIBIT B

CERTIFICATION

Affidavit of Compliance for Suppliers

I, _____

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

Hunt & Sons, Inc.

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Hazardous Materials Transport Vendors

I, _____,

(Name of person signing affidavit)(Title)

do hereby certify that the below-named company has prepared and implemented security plans in conformity with 49 CFR 172, subpart I and has conducted employee background investigations in conformity with 49 CFR 172.802(a), as the same may be amended from time to time,

Hunt & Sons, Inc.

(Company name)

for hazardous materials delivery to:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.



Commission Staff Report – *DRAFT*

Date: March 4, 2020

COMMISSION MEETING DATE: March 26, 2020

SUBJECT: Coffman Engineers, Inc. – Five Year Multi-Task Professional Services Agreement for Fire Protection, Mechanical, Electrical, or Civil Engineering Services; Applicable to the following projects: All Northern California Power Agency (NCPA) Facilities, NCPA Members, Southern California Public Power Authority (SCPPA), and SCPPA Members.

AGENDA CATEGORY: Consent

| | | |
|--------------------|---------------------------|-----------------------------------|
| FROM: | Joel Ledesma | METHOD OF SELECTION: |
| | Assistant General Manager | N/A |
| Division: | Generation Services | <i>If other, please describe:</i> |
| Department: | Geothermal | |

| | | |
|---|--|--|
| IMPACTED MEMBERS: | | |
| All Members <input checked="" type="checkbox"/> | City of Lodi <input type="checkbox"/> | City of Shasta Lake <input type="checkbox"/> |
| Alameda Municipal Power <input type="checkbox"/> | City of Lompoc <input type="checkbox"/> | City of Ukiah <input type="checkbox"/> |
| San Francisco Bay Area Rapid Transit <input type="checkbox"/> | City of Palo Alto <input type="checkbox"/> | Plumas-Sierra REC <input type="checkbox"/> |
| City of Biggs <input type="checkbox"/> | City of Redding <input type="checkbox"/> | Port of Oakland <input type="checkbox"/> |
| City of Gridley <input type="checkbox"/> | City of Roseville <input type="checkbox"/> | Truckee Donner PUD <input type="checkbox"/> |
| City of Healdsburg <input type="checkbox"/> | City of Santa Clara <input type="checkbox"/> | Other <input type="checkbox"/> |
| <i>If other, please specify</i> | | |
| <hr/> | | |
| <hr/> | | |

RECOMMENDATION:

Approval of Resolution XX-XX authorizing the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Coffman Engineers, Inc. for fire protection, mechanical, electrical, or civil engineering services, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

It is recommended that this item be listed on the Commission Consent Calendar.

BACKGROUND:

Fire protection, mechanical, electrical, or civil engineering services are required from time to time for the operation and maintenance of facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, and by SCPPA Members. Coffman Engineers, Inc. is a new vendor for NCPA. NCPA Geothermal staff contacted Coffman Engineers, Inc. because they offer California Registered Fire Protection Engineer (FPE) services. After having met with this vendor, staff recommends that NCPA enter into an enabling agreement with Coffman Engineers, Inc., so established terms and conditions are in place should this vendor be the successful bidder on future projects. Execution of this enabling agreement will also increase the pool of qualified vendors willing to work in the more remote location of NCPA's Geothermal facility, which will result in more competitive bidding when services are needed. NCPA has agreements in place for similar services with Sabah International, Inc., and ORR Protection Systems, Inc. (pending approval).

FISCAL IMPACT:

Upon execution, the total cost of the agreement is not to exceed \$1,000,000 over five years. Purchase orders referencing the terms and conditions of the agreement will be issued following NCPA procurement policies and procedures.

SELECTION PROCESS:

This enabling agreement does not commit NCPA to any expenditure of funds. At the time services are required, NCPA will bid the specific scope of work consistent with NCPA procurement policies and procedures. NCPA seeks bids from as many qualified providers as possible. Bids are awarded to the vendor providing the overall best value to NCPA. NCPA will issue purchase orders based on cost and availability of the services needed at the time the service is required.

ENVIRONMENTAL ANALYSIS:

This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

COMMITTEE REVIEW:

Pending Committee review.

Respectfully submitted,

RANDY S. HOWARD
General Manager

Attachments (2):

- Resolution
- Multi-Task Professional Services Agreement between NCPA and Coffman Engineers, Inc.

RESOLUTION XX-XX

**RESOLUTION OF THE NORTHERN CALIFORNIA POWER AGENCY
APPROVING A MULTI-TASK PROFESSIONAL SERVICES AGREEMENT WITH COFFMAN
ENGINEERS, INC.**

(reference Staff Report #xxx:xx)

WHEREAS, fire protection, mechanical, electrical, or civil engineering services are required from time to time for the operation and maintenance of facilities owned and/or operated by the Northern California Power Agency (NCPA), NCPA Members, the Southern California Public Power Authority (SCPPA), and SCPPA Members; and

WHEREAS, Coffman Engineers, Inc. is a provider of these services; and

WHEREAS, NCPA seeks to enter into a Multi-Task Professional Services Agreement with Coffman Engineers, Inc., to provide such services as needed at all NCPA facilities, NCPA Members, SCPPA, and SCPPA Member facilities in an amount not to exceed \$1,000,000 over five years; and

WHEREAS, this activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a "project" for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary; and

NOW, THEREFORE BE IT RESOLVED, that the Commission of the Northern California Power Agency authorizes the General Manager or his designee to enter into a Multi-Task Professional Services Agreement with Coffman Engineers, Inc., with any non-substantial changes as approved by the NCPA General Counsel, which shall not exceed \$1,000,000 over five years, for fire protection, mechanical, electrical, or civil engineering services, for use at all facilities owned and/or operated by NCPA, NCPA Members, by SCPPA, or by SCPPA Members.

PASSED, ADOPTED and APPROVED this ____ day of _____, 2020 by the following vote on roll call:

| | <u>Vote</u> | <u>Abstained</u> | <u>Absent</u> |
|--------------------|-------------|------------------|---------------|
| Alameda | _____ | _____ | _____ |
| San Francisco BART | _____ | _____ | _____ |
| Biggs | _____ | _____ | _____ |
| Gridley | _____ | _____ | _____ |
| Healdsburg | _____ | _____ | _____ |
| Lodi | _____ | _____ | _____ |
| Lompoc | _____ | _____ | _____ |
| Palo Alto | _____ | _____ | _____ |
| Port of Oakland | _____ | _____ | _____ |
| Redding | _____ | _____ | _____ |
| Roseville | _____ | _____ | _____ |
| Santa Clara | _____ | _____ | _____ |
| Shasta Lake | _____ | _____ | _____ |
| Truckee Donner | _____ | _____ | _____ |
| Ukiah | _____ | _____ | _____ |
| Plumas-Sierra | _____ | _____ | _____ |

ROGER FRITH
CHAIR

ATTEST:

CARY A. PADGETT
ASSISTANT SECRETARY



MULTI-TASK PROFESSIONAL SERVICES AGREEMENT BETWEEN THE NORTHERN CALIFORNIA POWER AGENCY AND COFFMAN ENGINEERS, INC.

This Professional Services Agreement ("Agreement") is made by and between the Northern California Power Agency, a joint powers agency with its main office located at 651 Commerce Drive, Roseville, CA 95678-6420 ("Agency") and Coffman Engineers, Inc., a corporation with its office located at 1939 Harrison Street, Suite 320, Oakland, CA 94612 ("Consultant") (together sometimes referred to as the "Parties") as of _____, 2020 ("Effective Date") in Roseville, California.

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to Agency the services described in the Scope of Services attached hereto as Exhibit A and incorporated herein ("Services"), at the time and place and in the manner specified therein.

- 1.1 Term of Agreement.** The term of this Agreement shall begin on the Effective Date and shall end when Consultant completes the Services, or no later than five (5) years from the date this Agreement was signed by Agency, whichever is shorter.
- 1.2 Standard of Performance.** Consultant shall perform the Services in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged and for which Consultant is providing the Services. Consultant represents that it is licensed, qualified and experienced to provide the Services set forth herein.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform the Services. In the event that Agency, in its sole discretion, at any time during the term of this Agreement, requests the reassignment of any such personnel, Consultant shall, immediately upon receiving written notice from Agency of such request, reassign such personnel.
- 1.4 Services Provided.** Services provided under this Agreement by Consultant may include Services directly to the Agency or, as requested by the Agency and consistent with the terms of this Agreement, to Agency members, Southern California Public Power Authority ("SCPPA") or SCPPA members.
- 1.5 Request for Services.** At such time that Agency determines to use Consultant's Services under this Agreement, Agency shall issue a Purchase Order. The Purchase Order shall identify the specific services to be performed ("Requested Services"), may include a not-to-exceed monetary cap on Requested Services and expenditures authorized by that Purchase Order, and a time by which the Requested Services shall be completed. Consultant shall have seven calendar days from the date of the Agency's issuance of the Purchase Order in which to respond in writing that Consultant chooses not to perform the Requested Services. If Consultant agrees to perform the Requested Services, begins to perform the Requested Services or does not respond within the seven day period

specified, then Consultant will have agreed to perform the Requested Services on the terms set forth in the Purchase Order, this Agreement and its Exhibits.

Section 2. **COMPENSATION.** Agency hereby agrees to pay Consultant an amount **NOT TO EXCEED ONE MILLION** dollars (\$1,000,000) for the Services, which shall include all fees, costs, expenses and other reimbursables, as set forth in Consultant's fee schedule, attached hereto and incorporated herein as Exhibit B. This dollar amount is not a guarantee that Agency will pay that full amount to the Consultant, but is merely a limit of potential Agency expenditures under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- Services performed;
- The Purchase Order number authorizing the Services;
- At Agency's option, the total number of hours of work performed for time and materials tasks (unless such records are requested pursuant to Section 9.3), under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder; and
- At Agency's option, when the Consultant's Scope of Work identifies time and materials tasks (unless such records are requested pursuant to Section 9.3), for each work item in each task, a copy of the applicable time entries showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense, with supporting documentation, to Agency's reasonable satisfaction.

Invoices shall be sent to:

Northern California Power Agency
651 Commerce Drive
Roseville, California 95678
Attn: Accounts Payable
AcctsPayable@ncpa.com

2.2 **Monthly Payment.** Agency shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. Agency shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

- 2.3 **Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.
- 2.4 **Authorization to Perform Services.** The Consultant is not authorized to perform any Services or incur any costs whatsoever under the terms of this Agreement until receipt of written authorization from the Contract Administrator.
- 2.5 **Timing for Submittal of Final Invoice.** Consultant shall have ninety (90) days after completion of its Services to submit its final invoice. In the event Consultant fails to submit an invoice to Agency for any amounts due within the ninety (90) day period, Consultant is deemed to have waived its right to collect its final payment from Agency.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the Services.

Section 4. INSURANCE REQUIREMENTS. Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

- 4.1 **Workers' Compensation.** If Consultant employs any person, Consultant shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant with limits of not less than one million dollars (\$1,000,000.00) per accident.
- 4.2 **Commercial General and Automobile Liability Insurance.**
- 4.2.1 **Commercial General Insurance.** Consultant shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Consultant. The policy shall provide a minimum limit of \$2,000,000 per occurrence/\$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than \$100,000. No endorsement shall be attached limiting the coverage.
- 4.2.2 **Automobile Liability.** Consultant shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Consultant, on or off Agency premises. The

policy shall provide a minimum limit of \$2,000,000 per each accident, with a self-insured retention or deductible of no more than \$100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 General Liability/Umbrella Insurance. The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 Professional Liability Insurance. Consultant shall maintain professional liability insurance appropriate to Consultant's profession performing work in connection with this Agreement in an amount not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate covering the Consultant's errors and omissions. Any deductible or self-insured retention shall not exceed two hundred fifty thousand dollars (\$250,000) per claim. Such insurance shall be on a "claims-made" basis, subject to the following conditions: (1) the retroactive date of the policy shall be on or before the Effective Date of this Agreement; (2) the policy shall be maintained for at least five (5) years after completion of the Services and, if requested by Agency, evidence of coverage shall be provided during this period; and (3) if, within five (5) years of completion of the Services, coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Agreement, Consultant shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the Services and, if requested by Agency, provide evidence of coverage during this period.

4.4 All Policies Requirements.

4.4.1 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall provide Agency with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, adding the Agency as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.4.2 Notice of Reduction in or Cancellation of Coverage. Consultant shall provide at least thirty (30) days prior written notice to Agency of any reduction in scope or amount, cancellation, or modification adverse to Agency of the policies referenced in Section 4.

4.4.3 Higher Limits. If Consultant maintains higher limits than the minimums specified herein, the Agency shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4.4 Additional Certificates and Endorsements. If Consultant provides services to Agency members, SCPPA and/or SCPPA members, Consultant shall provide certificates of insurance and policy endorsements, as referenced in Section 4.4.1, naming the specific Agency member, SCPPA or Agency member for which the Services are to be performed.

4.4.5 Waiver of Subrogation. Consultant agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. In addition, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of Agency for all work performed by Consultant, its employees, agents and subcontractors.

4.5 Consultant's Obligation. Consultant shall be solely responsible for ensuring that all equipment, vehicles and other items utilized in the performance of Services are operated, provided or otherwise utilized in a manner that ensures they are and remain covered by the policies referenced in Section 4 during this Agreement. Consultant shall also ensure that all workers involved in the provision of Services are properly classified as employees, agents or independent contractors and are and remain covered by any and all workers' compensation insurance required by applicable law during this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 Effect of Insurance. Agency's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

5.2 Scope. Consultant shall indemnify defend with counsel reasonably acceptable to the Agency, and hold harmless the Agency and its officials, commissioners, officers, employees, and volunteers from and against any and all claims to the extent that the claims arise out of, pertain to or relate to the negligence, recklessness or willful misconduct of the Consultant in its performance of Services under this Agreement. Consultant shall bear all losses, costs, damages, expense and liability of every kind, nature and description to the extent that they arise out of, pertain to, or relate to such claims, whether directly or indirectly ("Liabilities"). Such obligations to hold harmless and indemnify the Agency shall not apply to the extent that such Liabilities are caused by the negligence, active negligence, or willful misconduct of the Agency.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** Consultant is an independent contractor and not an employee of Agency. Agency shall have the right to control Consultant only insofar as the results of Consultant's Services and assignment of personnel pursuant to Section 1; otherwise, Agency shall not have the right to control the means by which Consultant accomplishes Services rendered pursuant to this Agreement. Notwithstanding any other Agency, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by Agency, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of Agency and entitlement to any contribution to be paid by Agency for employer contributions and/or employee contributions for PERS benefits.

Consultant shall indemnify and hold harmless Agency for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Agency. Consultant and Agency acknowledge and agree that compensation paid by Agency to Consultant under this Agreement is based upon Consultant's estimated costs of providing the Services, including salaries and benefits of employees, agents and subcontractors of Consultant.

Consultant shall indemnify, defend, and hold harmless Agency from any lawsuit, administrative action, or other claim for penalties, losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such claims, whether directly or indirectly, due to Consultant's failure to secure workers' compensation insurance for its employees, agents, or subcontractors.

Consultant agrees that it is responsible for the provision of group healthcare benefits to its fulltime employees under 26 U.S.C. § 4980H of the Affordable Care Act. To the extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency from any penalty issued to Agency under the Affordable Care Act resulting from the performance of the Services by any employee, agent, or subcontractor of Consultant.

- 6.2 Consultant Not Agent.** Except as Agency may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of Agency in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind Agency to any obligation whatsoever.
- 6.3 Assignment and Subcontracting.** This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's

unique professional competence, experience, and specialized professional knowledge. A substantial inducement to Agency for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Agency. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors identified in Exhibit A, without prior written approval of the Agency. Where written approval is granted by the Agency, Consultant shall supervise all work subcontracted by Consultant in performing the services and shall be responsible for all work performed by a subcontractor as if Consultant itself had performed such work. The subcontracting of any work to subcontractors shall not relieve Consultant from any of its obligations under this Agreement with respect to the services and Consultant is obligated to ensure that any and all subcontractors performing any services shall be fully insured in all respects and to the same extent as set forth under Section 4, to Agency's satisfaction.

- 6.4 **Certification as to California Energy Commission.** If requested by the Agency, Consultant shall, at the same time it executes this Agreement, execute Exhibit C.

Section 7. LEGAL REQUIREMENTS.

- 7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 **Compliance with Applicable Laws.** Consultant and its subcontractors and agents, if any, shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 **Licenses and Permits.** Consultant represents and warrants to Agency that Consultant and its employees, agents, and subcontractors (if any) have and will maintain at their sole expense during the term of this Agreement all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice their respective professions.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 **Termination.** Agency or Consultant may cancel this Agreement at any time and without cause upon ten (10) days prior written notice to the other party.

In the event of termination by Agency, Consultant shall be entitled to compensation for Services satisfactorily completed as of the effective date of termination; Agency, however, may condition payment of such compensation upon Consultant delivering to Agency any or all records or documents, as referenced in Section 9.1 hereof. In the event of termination by Consultant, Consultant shall satisfactorily complete ongoing tasks prior to the effective date

of termination and deliver to Agency any or all records or documents, as referenced in Section 9.1 hereof.

- 8.2 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.
- 8.3 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between Agency and Consultant shall survive the termination of this Agreement.
- 8.4 Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4, Agency's remedies shall include, but not be limited to, the following:
- 8.4.1** Immediately terminate the Agreement;
 - 8.4.2** Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.4.3** Retain a different consultant to complete the Services not finished by Consultant; and/or
 - 8.4.4** Charge Consultant the difference between the costs to complete the Services that are unfinished at the time of breach and the amount that Agency would have paid Consultant pursuant hereto if Consultant had completed the Services.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the Agency. Consultant hereby agrees to deliver those documents to the Agency upon termination of the Agreement. Agency and Consultant agree that, unless approved by Agency in writing, Consultant shall not release to any non-parties to this Agreement any data, plans, specifications, reports and other documents.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all records or other documents evidencing or relating to charges for Services or expenditures and disbursements charged to the Agency under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

9.3 Inspection and Audit of Records. Any records or documents that this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the Agency. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of Agency or as part of any audit of the Agency, for a period of three (3) years after final payment under the Agreement.

9.4 Confidential Information and Disclosure.

9.4.1 Confidential Information. The term "Confidential Information", as used herein, shall mean any and all confidential, proprietary, or trade secret information, whether written, recorded, electronic, oral or otherwise, where the Confidential Information is made available in a tangible medium of expression and marked in a prominent location as confidential, proprietary and/or trade secret information. Confidential Information shall not include information that: (a) was already known to the Receiving Party or is otherwise a matter of public knowledge, (b) was disclosed to Receiving Party by a third party without violating any confidentiality agreement, (c) was independently developed by Receiving Party without reverse engineering, as evidenced by written records thereof, or (d) was not marked as confidential Information in accordance with this section.

9.4.2 Non-Disclosure of Confidential Information. During the term of this Agreement, either party may disclose ("The Disclosing Party") confidential Information to the other party ("the Receiving Party"). The Receiving Party: (a) shall hold the Disclosing Party's Confidential Information in confident; and (b) shall take all reasonable steps to prevent any unauthorized possession, use, copying, transfer or disclosure of such Confidential Information.

9.4.3 Permitted Disclosure. Notwithstanding the foregoing, the following disclosures of Confidential Information are allowed. Receiving Party shall endeavor to provide prior written notice to Disclosing Party of any permitted disclosure made pursuant to Section 9.4.3.2 or 9.4.3.3. Disclosing Party may seek a protective order, including without limitation, a temporary restraining order to prevent or contest such permitted disclosure; provided, however, that Disclosing Party shall seek such remedies at its sole expense. Neither party shall have any liability for such permitted disclosures:

9.4.3.1 Disclosure to employees, agents, consultants, contractors, subcontractors or other representatives of Receiving Party that have a need to know in connection with this Agreement.

9.4.3.2 Disclosure in response to a valid order of a court, government or regulatory agency or as may otherwise be required by law; and

9.4.3.3 Disclosure by Agency in response to a request pursuant to the California Public Records Act.

9.4.4 Handling of Confidential Information. Upon conclusion or termination of the Agreement, Receiving Party shall return to Disclosing Party or destroy Confidential Information (including all copies thereof), if requested by Disclosing Party in writing. Notwithstanding the foregoing, the Receiving Party may retain copies of such Confidential Information, subject to the confidentiality provisions of this Agreement: (a) for archival purposes in its computer system; (b) in its legal department files; and (c) in files of Receiving Party's representatives where such copies are necessary to comply with applicable law. Party shall not disclose the Disclosing Party's Information to any person other than those of the Receiving Party's employees, agents, consultants, contractors and subcontractors who have a need to know in connection with this Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Placer or in the United States District Court for the Eastern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

- 10.6 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of Agency or whose business, regardless of location, would place Consultant in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any Agency official in the work performed pursuant to this Agreement. No officer or employee of Agency shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

- 10.7 Contract Administrator.** This Agreement shall be administered by Joel Ledesma, Assistant General Manager, or his/her designee, who shall act as the Agency’s representative. All correspondence shall be directed to or through the representative.

- 10.8 Notices.** Any written notice to Consultant shall be sent to:

Thomas DeMasi, P.E.
Coffman Engineers, Inc.
1939 Harrison Street, Suite 320
Oakland, CA 94612

Any written notice to Agency shall be sent to:

Randy S. Howard
General Manager
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

With a copy to:

Jane E. Luckhardt
General Counsel
Northern California Power Agency
651 Commerce Drive
Roseville, CA 95678

- 10.9 Professional Seal.** Where applicable in the determination of the Agency, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.10 Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between Agency and Consultant and supersedes all prior negotiations, representations, or

agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

10.11 Alternative Dispute Resolution. If any dispute arises between the Parties that cannot be settled after engaging in good faith negotiations, Agency and Consultant agree to resolve the dispute in accordance with the following:

- 10.11.1** Each party shall designate a senior management or executive level representative to negotiate any dispute;
- 10.11.2** The representatives shall attempt, through good faith negotiations, to resolve the dispute by any means within their authority.
- 10.11.3** If the issue remains unresolved after fifteen (15) days of good faith negotiations, the Parties shall attempt to resolve the disagreement by negotiation between legal counsel. If the above process fails, the Parties shall resolve any remaining disputes through mediation to expedite the resolution of the dispute.
- 10.11.4** The mediation process shall provide for the selection within fifteen (15) days by both Parties of a disinterested third person as mediator, shall be commenced within thirty (30) days and shall be concluded within fifteen (15) days from the commencement of the mediation.
- 10.11.5** The Parties shall equally bear the costs of any third party in any alternative dispute resolution process.
- 10.11.6** The alternative dispute resolution process is a material condition to this Agreement and must be exhausted as an administrative prior to either Party initiating legal action. This alternative dispute resolution process is not intended to nor shall be construed to change the time periods for filing a claim or action specified by Government Code §§ 900 *et seq.*

10.12 Controlling Provisions. In the case of any conflict between the terms of this Agreement and the Exhibits hereto, a Purchase Order, or Consultant's Proposal (if any), the Agreement shall control. In the case of any conflict between the Exhibits hereto and a Purchase Order or the Consultant's Proposal, the Exhibits shall control. In the case of any conflict between the terms of a Purchase Order and the Consultant's Proposal, the Purchase Order shall control.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with

legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.15 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signator third parties. However, should Consultant provide services to an Agency member, SCLPA or SCLPA member (collectively for the purpose of this Section only "Member") pursuant to Section 1.4, the parties recognize that such Member may be a third party beneficiary solely as to the Purchase Order and Requested Services relating to such Member.

The Parties have executed this Agreement as of the date signed by the Agency.

NORTHERN CALIFORNIA POWER AGENCY

COFFMAN ENGINEERS, INC.

Date_____

Date_____

RANDY S. HOWARD, General Manager

**THOMAS DEMASI, P.E., Senior Engineer
– Fire Protection Engineering**

Attest:

Assistant Secretary of the Commission

Approved as to Form:

Jane E. Luckhardt, General Counsel

EXHIBIT A

SCOPE OF SERVICES

Coffman Engineers, Inc. ("Consultant") shall provide fire protection, mechanical, electrical, or civil engineering services as requested by Northern California Power Agency ("Agency") at any facilities owned and/or operated by Agency, its Members, Southern California Public Power Authority ("SCPPA") or SCPPA Members.

Such services will include, but are not limited to:

- Providing professionally engineered "stamped" drawings
- AutoCAD drawings
- Technical specifications
- Piping and instrumentation diagrams
- Engineering evaluations, calculations and reports

EXHIBIT B

COMPENSATION SCHEDULE AND HOURLY FEES

Compensation for all tasks, including hourly fees and expenses, shall not exceed the amount set forth in Section 2 of the Agreement. The hourly rates and or compensation break down and an estimated amount of expenses is as follows:

Refer To Rate Sheet Below.

SCHEDULE OF HOURLY BILLING RATES

Effective January 1, 2020

| <u>CLASSIFICATION</u> | <u>ENGINEERING*</u> <u>HOURLY RATES</u> | <u>ACOUSTICS</u> <u>HOURLY RATES</u> | <u>FIRE PROTECTION**</u> <u>HOURLY RATES</u> |
|------------------------------|--|---|---|
| Principal III | \$265.00 | -- | \$275.00 |
| Principal II | \$255.00 | -- | \$265.00 |
| Principal I | \$245.00 | \$245.00 | \$255.00 |
| General Manager | \$245.00 | -- | -- |
| Operations Manager | -- | -- | \$250.00 |
| Senior Discipline Manager | \$215.00 | -- | \$245.00 |
| Senior Discipline Engineer | \$195.00 | -- | \$235.00 |
| Senior Discipline Consultant | -- | \$210.00 | -- |
| Discipline Manager | \$195.00 | -- | \$215.00 |
| Discipline Consultant | -- | \$200.00 | -- |
| Senior Project Manager | \$195.00 | -- | \$195.00 |
| Senior Project Engineer | \$185.00 | -- | -- |
| Project Manager II | \$185.00 | -- | -- |
| Senior Engineer | \$180.00 | -- | \$215.00 |
| Senior Consultant | -- | \$192.00 | -- |
| Project Manager | \$180.00 | -- | \$165.00 |
| Engineer III | \$160.00 | -- | \$190.00 |
| Engineer II | \$140.00 | -- | \$165.00 |
| Engineer I | \$130.00 | -- | \$140.00 |
| Consultant III | -- | \$170.00 | -- |
| Consultant II | -- | \$150.00 | -- |
| Consultant I | -- | \$130.00 | -- |
| Senior Engineering Tech | -- | -- | \$220.00 |
| Engineering Tech III | -- | -- | \$120.00 |
| Engineering Tech II | -- | -- | \$110.00 |
| Engineering Tech I | -- | -- | \$100.00 |
| Senior Acoustical Tech | -- | \$180.00 | -- |
| Acoustical Tech III | -- | \$120.00 | -- |
| Acoustical Tech II | -- | \$105.00 | -- |
| Acoustical Tech I | -- | \$90.00 | -- |
| Senior Designer | \$145.00 | \$160.00 | -- |
| Designer III | \$136.00 | \$145.00 | -- |
| Designer II | \$130.00 | \$135.00 | -- |
| Designer I | \$115.00 | \$125.00 | -- |
| Drafter II | \$105.00 | \$105.00 | -- |
| Drafter I | \$90.00 | \$90.00 | -- |
| Graduate Intern (FP) | -- | -- | \$115.00 |
| Engineering Intern | -- | -- | \$100.00 |
| Clerical | \$80.00 | \$80.00 | \$80.00 |

3D Scanner \$100.00/Hour (on-site)

* Civil, electrical, mechanical, plumbing, and structural engineering.

** Fire protection engineering and code consulting.

SCHEDULE OF EXPENSE CHARGES:

1. Travel from our office will be charged as follows:
 - a. Auto 58 cents per mile or latest IRS standard mileage rate whichever is higher
 - b. Other mode: At actual times 1.1
2. Local and long distance courier services will be charged at actual times 1.1.
3. Plotting and/or reproduction of drawings, specifications, reports and calculations and additional copies will be charged at actual times 1.1.
4. Instrument rental, laboratory services, outside computer and/or consultant services will be charged at actual times 1.1.

These rates are effective through December 31, 2020.

Rates may be adjusted each year in response to inflation and other factors. The increase will not exceed 5% each year.

Pricing for services to be performed at NCPA Member or SCPPA locations will be quoted at the time services are requested.

NOTE: As a public agency, NCPA shall not reimburse Consultant for travel, food and related costs in excess of those permitted by the Internal Revenue Service.

EXHIBIT C
CERTIFICATION

Affidavit of Compliance for Contractors

I, _____

(Name of person signing affidavit)(Title)

do hereby certify that background investigations to ascertain the accuracy of the identity and employment history of all employees of

(Company name)

for contract work at:

LODI ENERGY CENTER, 12745 N. THORNTON ROAD, LODI, CA 95242

(Project name and location)

have been conducted as required by the California Energy Commission Decision for the above-named project.

(Signature of officer or agent)

Dated this _____ day of _____, 20 ____.

THIS AFFIDAVIT OF COMPLIANCE SHALL BE APPENDED TO THE PROJECT SECURITY PLAN AND SHALL BE RETAINED AT ALL TIMES AT THE PROJECT SITE FOR REVIEW BY THE CALIFORNIA ENERGY COMMISSION COMPLIANCE PROJECT MANAGER.