

PROFESSIONAL SERVICES AGREEMENT
[SCADA System Technical Support Services]

THIS PROFESSIONAL SERVICES AGREEMENT (the "Agreement") is made at Orange, California, on this ____ day of _____, 2024 (the "Effective Date") by and between the CITY OF ORANGE, a municipal corporation ("City"), and TESCO CONTROLS, LLC, a Delaware limited liability company ("Contractor"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to the reasonable satisfaction of City the services set forth in Exhibit "A," which is attached hereto and incorporated herein by reference. As a material inducement to City to enter into this Agreement, Contractor represents and warrants that it has thoroughly investigated and considered the scope of services and fully understands the difficulties and restrictions in performing the work. The services which are the subject of this Agreement are not in the usual course of City's business and City relies on Contractor's representation that it is independently engaged in the business of providing such services and is experienced in performing the work. Contractor shall perform all services in a manner reasonably satisfactory to City and in a manner in conformance with the standards of quality normally observed by an entity provided such services to a municipal agency. All services provided shall conform to all federal, state and local laws, rules and regulations and to the best professional standards and practices. The terms and conditions set forth in this Agreement shall control over any terms and conditions in Exhibit "A" to the contrary.

Tuan Cao, Senior Civil Engineer ("City's Project Manager"), shall be the person to whom Contractor will report for the performance of services hereunder. It is understood that Contractor's performance hereunder shall be under the supervision of City's Project Manager (or his/her designee), that Contractor shall coordinate its services hereunder with City's Project Manager to the extent required by City's Project Manager, and that all performances required hereunder by Contractor shall be performed to the satisfaction of City's Project Manager and the City Manager.

2. **Compensation and Fees.**

a. Contractor's total compensation for all services performed under this Agreement, shall not exceed FIFTY THOUSAND DOLLARS and 00/100 (\$50,000.00) without the prior written authorization of City.

b. The above compensation shall include all costs, including, but not limited to, all clerical, administrative, overhead, insurance, reproduction, telephone, travel, auto rental, subsistence and all related expenses.

2.1 **Term and Extension(s)**

a. The Initial Term of this Agreement is one (1) year (the "Initial Term"), commencing November 13, 2024 and expiring on November 12, 2025 (the "Expiration Date");

provided, however, that City has the right to extend the term of this Agreement for the following extensions and upon the following terms:

- First Extension (the “First Extension Term”) commencing November 13, 2025, and terminating November 12, 2026, in an annual amount not to exceed FIFTY THOUSAND DOLLARS and 00/100 (\$50,000.00) without the prior written authorization of City;
- Second Extension (the “Second Extension Term”) commencing November 13, 2026, and terminating November 12, 2027, in an annual amount not to exceed FIFTY THOUSAND DOLLARS and 00/100 (\$50,000.00) without the prior written authorization of City.

b. The City Manager is hereby authorized on behalf of City to give written notice to Contractor of City’s intention to exercise each Extension (if at all) no later than thirty (30) days prior to the Expiration Date of the then-current term; provided, however, that City’s notice of its intention to extend the term of this Agreement for each Extension shall be expressly conditioned upon and subject to the approval by the City Council, in its sole and absolute discretion, of an amount sufficient to pay the compensation set forth herein for each Extension as part of its annual budget approval process prior to the beginning of each Extension. While the parties acknowledge that City is required to give its notice of intention to extend the term of this Agreement not later than thirty (30) days prior to the Expiration Date of then-current term, it is possible that the City Council’s approval of its annual budget and appropriation of funds for the Extension in question may occur thereafter. Accordingly, if the City Council fails to approve and appropriate funds sufficient to pay the amount of compensation set forth herein for an Extension, this Agreement shall terminate and be of no further force and effect as of the expiration of the then-current term. Notwithstanding anything in this provision to the contrary, in the event City gives Contractor written notice exercising an Extension and City receives notice that appropriation of funds for the Extension in question are not available after Contractor has performed services under the Extension, City agrees that Contractor will be equitably compensated for all services performed under any portion of an Extension through the date of termination of the Agreement. Except as specifically set forth herein, the terms and conditions of each Extension will be the same as the Initial Agreement.

c. Any Extension, if properly exercised, shall be memorialized in the form of an amendment to this Agreement. The City Manager is hereby authorized to approve and execute amendments to this Agreement reflecting the exercise of each Extension and the amount of compensation (including the amount of funds to be made available for additional work or services) payable to Contractor for each respective Extension.

3. Payment.

a. As scheduled services are completed, Contractor shall submit to City an invoice for the services completed, authorized expenses and authorized extra work actually performed or incurred.

b. All such invoices shall state the basis for the amount invoiced, including services completed, the number of hours spent and any extra work performed.

c. City will pay Contractor the amount invoiced within thirty (30) days after the approval of the invoice.

d. Payment shall constitute payment in full for all services, authorized costs and authorized extra work covered by that invoice.

4. **Change Orders.** No payment for extra services caused by a change in the scope or complexity of work, or for any other reason, shall be made unless and until such extra services and a price therefor have been previously authorized in writing and approved by City as an amendment to this Agreement. City's Project Manager is authorized to approve a reduction in the services to be performed and compensation therefor. All amendments shall set forth the changes of work, extension of time, and/or adjustment of the compensation to be paid by City to Contractor and shall be signed by the City's Project Manager, City Manager or City Council, as applicable.

5. **Licenses.** Contractor represents that it and any subcontractors it may engage, possess any and all licenses which are required under state or federal law to perform the work contemplated by this Agreement and that Contractor and its subcontractors shall maintain all appropriate licenses, including a City of Orange business license, at its cost, during the performance of this Agreement.

6. **Independent Contractor.** At all times during the term of this Agreement, Contractor shall be an independent contractor and not an employee of City. City shall have the right to control Contractor only insofar as the result of Contractor's services rendered pursuant to this Agreement. City shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement. Contractor shall, at its sole cost and expense, furnish all facilities, materials and equipment which may be required for furnishing services pursuant to this Agreement. Contractor shall be solely responsible for, and shall indemnify, defend and save City harmless from all matters relating to the payment of its subcontractors, agents and employees, including compliance with social security withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever. Contractor acknowledges that it and any subcontractors, agents or employees employed by Contractor shall not, under any circumstances, be considered employees of City, and that they shall not be entitled to any of the benefits or rights afforded employees of City, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits.

7. **Contractor Not Agent.** Except as City may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, to bind City to any obligation whatsoever.

8. **Designated Persons.** Only those qualified persons authorized by City's Project Manager, or as designated in Exhibit "A," shall perform work provided for under this Agreement. It is understood by the parties that clerical and other nonprofessional work may be performed by persons other than those designated.

9. **Assignment or Subcontracting.** No assignment or subcontracting by Contractor of any part of this Agreement or of funds to be received under this Agreement shall be of any force or effect unless the assignment has the prior written approval of City. City may terminate this Agreement rather than accept any proposed assignment or subcontracting. Such assignment or subcontracting may be approved by the City Manager or his/her designee.

10. **Time of Completion.** Except as otherwise specified in Exhibit "A," Contractor shall commence the work provided for in this Agreement within five (5) days of the Effective Date of this Agreement and diligently prosecute completion of the work in accordance with the time period set forth in Exhibit "A".

11. **Time Is of the Essence.** Time is of the essence in this Agreement. Contractor shall do all things necessary and incidental to the prosecution of Contractor's work.

12. **Reserved.**

13. **Delays and Extensions of Time.** Contractor's sole remedy for delays outside its control, other than those delays caused by City, shall be an extension of time. No matter what the cause of the delay, Contractor must document any delay and request an extension of time in writing at the time of the delay to the satisfaction of City. Any extensions granted shall be limited to the length of the delay outside Contractor's control. If Contractor believes that delays caused by City will cause it to incur additional costs, it must specify, in writing, why the delay has caused additional costs to be incurred and the exact amount of such cost at the time the delay occurs. No additional costs can be paid that exceed the not to exceed amount stated in Section 2.a, above, absent a written amendment to this Agreement.

14. **Products of Contractor.** The documents, studies, evaluations, assessments, reports, plans, citations, materials, manuals, technical data, logs, files, designs and other products produced or provided by Contractor for this Agreement shall become the property of City upon receipt. Contractor shall deliver all such products to City prior to payment for same. City may use, reuse or otherwise utilize such products without restriction.

15. **Equal Employment Opportunity.** During the performance of this Agreement, Contractor agrees as follows:

a. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Contractor shall ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

b. Contractor shall, in all solicitations and advertisements for employees placed by, or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law.

c. Contractor shall cause the foregoing paragraphs (a) and (b) to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

16. Conflicts of Interest. Contractor agrees that it shall not make, participate in the making, or in any way attempt to use its position as a consultant to influence any decision of City in which Contractor knows or has reason to know that Contractor, its officers, partners, or employees have a financial interest as defined in Section 87103 of the Government Code.

17. Indemnity.

a. To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold City, its City Council and each member thereof, and the officers, officials, agents and employees of City (collectively the "Indemnitees") entirely harmless from all liability arising out of:

(1) Any and all claims under workers' compensation acts and other employee benefit acts with respect to Contractor's employees or Contractor's subcontractor's employees arising out of Contractor's work under this Agreement, including any and all claims under any law pertaining to Contractor or its employees' status as an independent contractor and any and all claims under Labor Code section 1720 related to the payment of prevailing wages for public works projects; and

(2) Any claim, loss, injury to or death of persons or damage to property caused by any act, neglect, default, or omission of Contractor, or person, firm or corporation employed by Contractor, either directly or by independent contract, including all damages due to loss or theft sustained by any person, firm or corporation including the Indemnitees, or any of them, arising out of, or in any way connected with the work or services which are the subject of this Agreement, including injury or damage either on or off City's property; but not for any loss, injury, death or damage caused by the active negligence or willful misconduct of City. Contractor, at its own expense, cost and risk, shall indemnify any and all claims, actions, suits or other proceedings that may be brought or instituted against the Indemnitees on any such claim or liability covered by this subparagraph, and shall pay or satisfy any judgment that may be rendered against the Indemnitees, or any of them, in any action, suit or other proceedings as a result of coverage under this subparagraph.

b. Reserved.

c. Except for the Indemnitees, the indemnifications provided in this Agreement shall not be construed to extend any third party indemnification rights of any kind to any person or entity which is not a signatory to this Agreement.

d. The indemnities set forth in this section shall survive any closing, rescission, or termination of this Agreement, and shall continue to be binding and in full force and effect in perpetuity with respect to Contractor and its successors.

18. Insurance.

a. Contractor shall carry workers' compensation insurance as required by law for the protection of its employees during the progress of the work. Contractor understands that it is an independent contractor and not entitled to any workers' compensation benefits under any City program.

b. Contractor shall maintain during the life of this Agreement the following minimum amount of comprehensive general liability insurance or commercial general liability insurance: the greater of (1) One Million Dollars (\$1,000,000) per occurrence; or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage and be written on an occurrence basis.

c. Contractor shall maintain during the life of this Agreement, the following minimum amount of automotive liability insurance: the greater of (1) a combined single limit of One Million Dollars (\$1,000,000); or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage for all owned, non-owned and hired vehicles and be written on an occurrence basis.

d. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits which are applicable to a given loss shall be available to City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Contractor under this Agreement.

e. Each policy of general liability and automotive liability shall provide that City, its officers, officials, agents, and employees are declared to be additional insureds under the terms of the policy, but only with respect to the work performed by Contractor under this Agreement. A policy endorsement to that effect shall be provided to City along with the certificate of insurance. In lieu of an endorsement, City will accept a copy of the policy(ies) which evidences that City is an additional insured as a contracting party. The minimum coverage required by Subsection 18.b and c, above, shall apply to City as an additional insured. Any umbrella liability insurance that is provided as part of the general or automobile liability minimums set forth below shall be maintained for the duration of the Agreement.

f. Reserved.

g. The insurance policies maintained by Contractor shall be primary insurance and no insurance held or owned by City shall be called upon to cover any loss under the policy. Contractor will determine its own needs in procurement of insurance to cover liabilities other than as stated above.

h. Before Contractor performs any work or prepares or delivers any materials, Contractor shall furnish certificates of insurance and endorsements, as required by City, evidencing the aforementioned minimum insurance coverages on forms acceptable to City, which shall provide that the insurance in force will not be canceled or allowed to lapse without at least ten (10) days' prior written notice to City.

i. Except for professional liability insurance coverage that may be required by this Agreement, all insurance maintained by Contractor shall be issued by companies admitted to conduct the pertinent line of insurance business in California and having a rating of Grade A or better and Class VII or better by the latest edition of Best Key Rating Guide. In the case of professional liability insurance coverage, such coverage shall be issued by companies either licensed or admitted to conduct business in California so long as such insurer possesses the aforementioned Best rating.

j. Contractor shall immediately notify City if any required insurance lapses or is otherwise modified and cease performance of this Agreement unless otherwise directed by City. In such a case, City may procure insurance or self-insure the risk and charge Contractor for such costs and any and all damages resulting therefrom, by way of set-off from any sums owed Contractor.

k. Contractor agrees that in the event of loss due to any of the perils for which it has agreed to provide insurance, Contractor shall look solely to its insurance for recovery. Contractor hereby grants to City, on behalf of any insurer providing insurance to either Contractor or City with respect to the services of Contractor herein, a waiver of any right to subrogation which any such insurer may acquire against City by virtue of the payment of any loss under such insurance.

l. Contractor shall include all subcontractors, if any, as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor to City for review and approval. All coverages for subcontractors shall be subject to all of the requirements stated herein.

19. **Termination.** City may for any reason terminate this Agreement by giving Contractor not less than five (5) days' written notice of intent to terminate. Upon receipt of such notice, Contractor shall immediately cease work, unless the notice from City provides otherwise. Upon the termination of this Agreement, City shall pay Contractor for services satisfactorily provided and all allowable reimbursements incurred to the date of termination in compliance with this Agreement, unless termination by City shall be for cause, in which event City may withhold any disputed compensation. City shall not be liable for any claim of lost profits.

20. **Maintenance and Inspection of Records.** In accordance with generally accepted accounting principles, Contractor and its subcontractors shall maintain reasonably full and complete books, documents, papers, accounting records, and other information (collectively, the "records") pertaining to the costs of and completion of services performed under this Agreement. City and its authorized representatives shall have access to and the right to audit and reproduce any of Contractor's records regarding the services provided under this Agreement. Contractor shall

maintain all such records for a period of at least three (3) years after termination or completion of this Agreement. Contractor agrees to make available all such records for inspection or audit at its offices during normal business hours and upon three (3) days' notice from City, and copies thereof shall be furnished if requested.

21. Compliance with all Laws/Immigration Laws.

a. Contractor shall be knowledgeable of and comply with all local, state and federal laws which may apply to the performance of this Agreement.

b. If the work provided for in this Agreement constitutes a "public works," as that term is defined in Section 1720 of the California Labor Code, for which prevailing wages must be paid, to the extent Contractor's employees will perform any work that falls within any of the classifications for which the Department of Labor Relations of the State of California promulgates prevailing wage determinations, Contractor hereby agrees that it, and any subcontractor under it, shall pay not less than the specified prevailing rates of wages to all such workers. The general prevailing wage determinations for crafts can be located on the website of the Department of Industrial Relations (www.dir.ca.gov/DLSR). Additionally, to perform work under this Contract, Contractor must meet all State registration requirements and criteria, including project compliance monitoring.

c. Contractor represents and warrants that Contractor:

(1) Has complied and shall at all times during the term of this Agreement comply, in all respects, with all immigration laws, regulations, statutes, rules, codes, and orders, including, without limitation, the Immigration Reform and Control Act of 1986 (IRCA); and

(2) Has not and will not knowingly employ any individual to perform services under this Agreement who is ineligible to work in the United States or under the terms of this Agreement; and

(3) Has properly maintained, and shall at all times during the term of this Agreement properly maintain, all related employment documentation records including, without limitation, the completion and maintenance of the Form I-9 for each of Contractor's employees; and

(4) Has responded, and shall at all times during the term of this Agreement respond, in a timely fashion to any government inspection requests relating to immigration law compliance and/or Form I-9 compliance and/or worksite enforcement by the Department of Homeland Security, the Department of Labor, or the Social Security Administration.

d. Contractor shall require all subcontractors or subconsultants to make the same representations and warranties as set forth in Subsection 21.b.

e. Contractor shall, upon request of City, provide a list of all employees working under this Agreement and shall provide, to the reasonable satisfaction of City, verification that all such employees are eligible to work in the United States. All costs associated with such verification shall be borne by Contractor. Once such request has been made, Contractor may not change employees working under this Agreement without written notice to City, accompanied by the verification required herein for such employees.

f. Contractor shall require all subcontractors or sub-consultants to make the same verification as set forth in Subsection 21.d.

g. If Contractor or subcontractor knowingly employs an employee providing work under this Agreement who is not authorized to work in the United States, and/or fails to follow federal laws to determine the status of such employee, that shall constitute a material breach of this Agreement and may be cause for immediate termination of this Agreement by City.

h. Contractor agrees to indemnify and hold City, its officers, officials, agents and employees harmless for, of and from any loss, including but not limited to fines, penalties and corrective measures City may sustain by reason of Contractor's failure to comply with said laws, rules and regulations in connection with the performance of this Agreement.

22. Governing Law and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California and Contractor agrees to submit to the jurisdiction of California courts. Venue for any dispute arising under this Agreement shall be in Orange County, California.

23. Integration. This Agreement constitutes the entire agreement of the parties. No other agreement, oral or written, pertaining to the work to be performed under this Agreement shall be of any force or effect unless it is in writing and signed by both parties. Any work performed which is inconsistent with or in violation of the provisions of this Agreement shall not be compensated.

24. Notice. Except as otherwise provided herein, all notices required under this Agreement shall be in writing and delivered personally, by e-mail, or by first class U.S. mail, postage prepaid, to each party at the address listed below. Either party may change the notice address by notifying the other party in writing. Notices shall be deemed received upon receipt of same or within three (3) days of deposit in the U.S. Mail, whichever is earlier. Notices sent by e-mail shall be deemed received on the date of the e-mail transmission.

“CONTRACTOR”

“CITY”

Tesco Controls, LLC
8440 Florin Road
Sacramento, CA 95828
Attn.: John Wright

City of Orange
300 E. Chapman Avenue
Orange, CA 92866-1591
Attn.: Tuan Cao

Telephone: (916) 395-8800
E-Mail: jwright@tescocontrols.com


Telephone: (714) 288-2475
E-Mail: tcao@cityoforange.org

25. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted via facsimile and electronic mail shall have the same effect as original signatures.

IN WITNESS of this Agreement, the parties have entered into this Agreement as of the year and day first above written.

“CONTRACTOR”

TESCO CONTROLS, LLC,
a Delaware limited liability company

*By: 
Printed Name: JASON MARTIN
Title: VP

*By: _____
Printed Name: _____
Title: _____

“CITY”

CITY OF ORANGE, a municipal corporation

By: _____
Daniel R. Slater, Mayor

ATTEST:

Pamela Coleman, City Clerk

APPROVED AS TO FORM:

Mike Vigliotta, City Attorney

***NOTE:**
City requires the following signature(s) on behalf of the Contractor:
(1) the Chairman of the Board, the President or a Vice-President, AND (2) the Secretary, the Chief Financial Officer, the Treasurer, an Assistant Secretary or an Assistant Treasurer. If only one corporate officer exists or one corporate officer holds more than one corporate office, please so indicate. OR
The corporate officer named in a corporate resolution as authorized to enter into this Agreement. A copy of the corporate resolution, certified by the Secretary close in time to the execution of the Agreement, must be provided to City.

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EXHIBIT "A"

SCOPE OF SERVICES

[Beneath this sheet.]

Technical Support Services

To: City of Orange

Quote Date: 10/16/2024

Attn: Tuan Cao

Quote No.: 21G079Q01

Re: **Annual Services Agreement**
Service Period: Nov. 13, 2024 to Nov. 12, 2025

This proposal is offering an annual services agreement to provide technical support services by Tesco Controls. (TESCO) to the City of Orange (City) to support and service the City's water/wastewater automation assets and process control systems. This proposal establishes the provisions for the service contract related to on-call professional services, technical support services, and emergency support services as described herein. The service contract is issued on a one (1)-year term for the annual allowance indicated herein, providing the City with support and services as described by the following:

SCOPE OF CONTRACT – This service contract package includes on-call professional services, technical support services, and emergency support services. These on-call services are available for instrumentation and controls systems related to water and wastewater applications; including services and support for the following systems: SCADA/HMI solutions, PLC control systems, process controls/automation, data telemetry/communication systems, motor controls, relay controls, and instrumentation.

Emergency services are available twenty-four (24)-hours a day, seven (7)-days a week, three hundred sixty-five (365)-days a year. The rates and terms are identified under the "Standard Professional Services Rates for Time and Material Services" section as included herein. The services rendered under this service contract will be facilitated through the following categories and methods:

- On-Call Professional Services/Task Order Request
- On-Call Technical Support Request
- Emergency Service and Support Request

On-Call Professional Services/Task Order Request

This contract will be assigned to a Project Manager and/or designated Representative to support Task Order Requests. These individuals will respond to each Task Order Request by promptly performing a technical review of the request to identify scope and resources needed to furnish the requested work in a timely and efficient manner. For each Task Order, the TESCO team will develop a description of the project or task (i.e. scope of work/supply), a corresponding Task Order price/budget, and a preliminary task order schedule. Each Task Order will be made available to the Contract Holder to review, comment and/or authorize Notice to Proceed.

On-Call Technical Support Request

Requests for Technical Support can be rendered as telephonic support or remote VPN support and will be billed on a Time-&-Material basis. A minimum charge of two (2)-hours per support call and a maximum of four (4)-hours per incident/ticket will be accrued toward providing support, diagnosis, assessment, and troubleshooting of the call topic. At any time during the support call, TESCO may deem the call request unsupportable over the phone/VPN and escalate the request for onsite support. Upon any request requiring onsite support, such support shall be scheduled with Support Personnel and is subject to availability. Onsite support may be rendered on a Time-&-Material basis or facilitated via Task Order Request.

Emergency On-Call Support Services

TESCO shall retain on-call personnel to provide emergency support for after-hours (outside normal business hours) technical services. Emergency services shall be facilitated through our after-hours dispatch call service and

managed by TESCO’s on-call personnel. Emergency support calls are initiated upon a call-in request by the City into TESCO’s call center/service. Initial response to initiating call requests are provided via return telephone call by on-call personnel to process the call request. TESCO will assess the request and provide technical support as deemed appropriate (via telephonic support, remote VPN access, or on-site services). Escalation of call request to other support personnel/departments shall be on case-by-case basis. Response to emergency requests are triaged and prioritized by critical nature and urgency. These services are subject to the Emergency Service provisions identified herein.

Contract Provisions

The following defines operating provisions for the services offered through this contact:

| Definition/Glossary for Technical Support Services | |
|---|---|
| Hours of Business | |
| Normal Business Hours: | Monday thru Friday, excluding holidays, from 8AM to 5PM PST/PDT. |
| Weekday After-Hours: | Monday thru Thursday, excluding holidays from 5PM to 8AM PST/PDT. |
| Weekend Hours: | Friday thru Monday, excluding holidays from 5PM to 8AM PST/PDT. |
| Holiday Hours: | Time during any observed holiday, up until the next business morning. |
| Hours of Coverage | |
| On-Call Task Order Requests: | Normal Business Hours; VPN/Remote or Onsite |
| On-Call Technical Support: | Normal Business Hours; VPN/Remote or Onsite |
| Emergency On-Call Support: | Normal Business Hours & After-Hours |
| On-Call Services for Technical Service, Technical Support, and Emergency Response | |
| Professional Service/Task Order Request | Defines service and support call requests that are planned in nature and supported via telephone (voice support), VPN remote access support, or as onsite service. Requests are coordinated through designated personnel who will coordinate scope and task order requirements. These requests will be coordinated and scheduled in a pre-planned manner to furnish appropriate response, personnel, and resources to complete task orders efficiently. |
| Expedited Telephonic / VPN-Access Support | Defines urgent support call requests that are supported via telephone (voice support) or VPN remote access support. These calls are managed under TESCO’s emergency support rate provisions . Support call requests must indicate their request for support and urgency needed for that support. Calls will be routed to initial support team who will assess the nature of the support request. Call may be escalated and routed to technical support engineers on an as-needed basis and is subject to availability. The support team may deem the call request unsupportable over the phone/VPN at any time and escalate the request for onsite support. Telephone/VPN support is not subject to response surcharges. |
| After-Hours Emergency Telephonic / VPN Remote Access Support | Defines emergency support call requests that are supported via telephone (voice support) or VPN remote access support. Support request calls are initiated by TESCO’s dispatch center. Initial call-back response shall be within thirty (30)-minutes for assessment and support. Escalation and/or VPN access may require up to a sixty (60)-minute response time for coordination and access after the initial call-back. The support team may deem the call request unsupportable over the phone/VPN at any time and escalate the request for onsite support. Telephone/VPN support is not subject to response surcharges. |

| | |
|-------------------------------|---|
| Onsite Emergency Support Call | Defines support call requests that require services and/or support rendered to the job site (onsite) within twenty-four (24)-hours of initiating support call request and are subject to “emergency” response surcharges. Determination of emergency onsite support will be established during the initial triage support response. |
|-------------------------------|---|

Cost of Contract

The following provide the summary of costs associated with this Service Contract:

| Description | Amount |
|---|---|
| <ul style="list-style-type: none"> ▪ No Annual Premium / Service Support Fee – This proposal is for an “On-Call Services Contract” only and is not subject to pre-paid services or provisioned reduced rates. | <u>\$0.00</u> |
| <ul style="list-style-type: none"> ▪ Pre-Approved Allowance – This allowance is reserved for service call requests rendered on a Task Order or Time-&-Material (T&M) basis to cover for: billings, surcharges, onsite support call expenditures, and requested technical services that are outside of any pre-paid coverages identified by this contract. T&M services will be rendered per the included Rate Schedule and related provisions, with the incurred costs being billed monthly against this pre-approved allowance as such costs are accrued. Service reports and accrual statements will be provided as services are rendered and invoices are processed. Task Orders may be quoted and billed via lump sum totals or T&M rates; this will be determined on a case-by-case basis. | Not To Exceed: <u>\$50,000.00</u> (per Year) |
| Total Allowance of Contract (annually): | \$50,000.00 |

Services

The technical resources available under this Service Contract are identified below. Such resources are offered by TESCO in support of this Service Contract but may not be all inclusive of the services or solutions available through TESCO. The services will be subject to the provisions defined herein and are subject to schedule availability. Service and support may include any of the following disciplines/items as needed to fulfill service requests.

- **Field Service Engineer** – to provide field support and services, including, but not limited to instrumentation troubleshooting, calibration, and loop testing; electrical control modifications; control system troubleshooting; motor control support services (e.g. VFD’s, RVSS’s, Pump Control Panels, etc.), and communication system services
- **PLC Programmer** – to provide PLC programming support and services as needed, including, but not limited to troubleshooting, program modifications, OIT programming services, and training.
- **SCADA Programmer** – to provide SCADA support and services as needed, including, but not limited to application troubleshooting, software troubleshooting; support services for system tags, database, telemetry/communications, alarming systems, reporting, and graphics support; networking support; programming modifications; and training.
- **Engineer** – to provide engineering and consulting support and services related to electrical control and system engineering, including, but not limited to electrical control system assessment, tracing, engineering, and as-built drawings; control system operations engineering; system documentation; and training.
- Materials, travel, expenses, and/or third party services will be billed separately. Any material required shall be approved by the City prior to procurement.

Rate Schedule

The following rate schedule identifies the Professional Services offered by TESCO for Technical Support Services only. This rate schedule applies to the services and support covered by this Service Contract per the applicable rate category, along with the terms, conditions, and provisions defined below.

The following are TESCO’s professional service rates for year(s) **2024-2025** for this contract for services rendered during normal business hours. The rates shown below include the direct hourly rate only and do not include expenses related to business travel, ME&I costs, per diem, or other miscellaneous fees.

| Professional Services | Standard Rate | Emergency Services |
|---------------------------------|---------------|--------------------|
| Factory Repairs | \$150 | \$190 |
| Engineering Support | \$180 | \$230 |
| Drafter/Designer | \$190 | \$240 |
| Project Engineer | \$215 | \$270 |
| Project Manager | \$250 | \$310 |
| PLC Applications Programmer | \$225 | \$280 |
| SCADA Applications Programmer | \$225 | \$280 |
| Field Service Specialist | \$225 | \$280 |
| Network/Communications Engineer | \$255 | \$325 |
| Senior System Architect | \$265 | \$335 |

Service Rate Categories

The following define the service types identified in the above listed rate categories:

Standard Service Rate – These rates apply to Task Order and Time-&-Material activities as described herein. The Standard Service Rate category apply to standard project/product delivery of work.

Emergency Service Rate – These rates apply to tasks, work activities, and/or services that are rendered where personnel and resources need to be expedited and do not follow TESCO’s standard methodology for scheduling work. Such services may impact other work activities or other project work, and may require rescheduling of resources to accommodate an expedited schedule. These rates may also apply to services that need to be rendered after normal business hours, whether provided as technical phone support or onsite technical support. Please note that any onsite technical support or activity rendered as an Emergency Service Rate may be subject to additional surcharges as follows:

Emergency Onsite Service Surcharges

Mobilization surcharges are applied to each emergency call/request that results in onsite activities being rendered under the Emergency Service Rate classification as defined above. These surcharges do not apply to phone support or remote VPN access support services. The following surcharges are applied to the mobilization of onsite services based on operating business hours.

After-Normal Business Hours, On-Call Onsite Support..... \$1,150 per incident
During Normal Business Hours, On-Call Onsite Support..... \$850 per incident

After-hours service requests are managed through TESCO’s 24/7 On-Call Support Program and facilitated through TESCO’s call center and dispatched to on-call personnel. Emergency Services are expedited and scheduled promptly, with onsite mobilization being within twenty-four (24)-hours of request if onsite mobilization is requested or required.

Rendering Services

Upon contracting into a Service Contract Agreement with TESCO, the indicated rate schedule shall be valid for the agreed contract period. Services rendered will be provided on a Time-&-Material accrual basis, which may be estimated in advance with a specified Task Order and/or defined scope of activity(ies). The hours accrued for rendered services will be recorded and only those incurred hours will be billed against the service/contract agreement in addition to the cost of expenses, travel, per diem, ME&I costs, fees, expenditures, and any preauthorized hardware/material provided. Please refer to the Time-&-Material service provisions and the terms and conditions noted herein.

Service Provisions

Please note the following service provisions:

- Normal working hours are Monday through Friday, 8:00 a.m. to 5:00 p.m. Overtime at one and one-half the standard rate is billed for services outside the normal working hours, excluding weekends and holidays.
- Saturday working hours are billed at two times the applicable rates.
- Sunday working hours are billed at three times the applicable rates.
- Holiday working hours are billed at three times the applicable rates.
- The above rates are billed two-hour minimum and in half-hour increments per activity/mobilization.
- Portal-to-portal travel time is billed at the indicated hourly rate, plus mileage.
- Authorized parts and components or any third party services will be billed separately at cost plus 25% overhead/procurement expenditures and 15% margin. Sales tax will be applied as appropriate. Please note that delivery may be based on manufacturer or service provider availability.
- Actual travel expenses (airfare, ground transportation, lodging, meals, etc.) are billed at cost plus 25% overhead and administration. Taxes and fees will be applied where appropriate.
- Please note: The above listed rates and referenced disciplines are for technical and professional services only, which do not include any trade installation, trade work, construction activities, or trade labor.

Clarifications

The liability of TESCO under this Service Contract Agreement shall be limited to the reasonable value of the labor and services to be performed hereunder. TESCO agrees to provide the services referenced herein, but does not assume any liability or responsibility for damages caused by a failure of the parts or components referenced herein or the loss of any data. TESCO shall not be obligated under this agreement to provide an extension of the manufacturer's warranty for any component referenced herein.

TESCO shall not be obligated under this agreement to provide services or repair damage caused by fire, explosion, vandalism, theft, act of God, misuse, or abuse of equipment/components; such equipment may not be serviceable and may need to be replaced. Nor will TESCO be liable for damage caused by unsupervised relocation, repair, or modifications to the equipment/components not performed or previously authorized by TESCO.

Terms and Conditions

- Contract will be covered one (1)-year from date of acceptance.
- TESCO carries liability insurance, with full workman's compensation coverage.
- Terms are net 30 days on approved credit accounts.
- Interest will be applied to all past due invoices.
- Site improvements and merchandise sold may be subject to lien laws.

Please feel free to contact us at (916) 395-8800 to discuss any questions or comments you may have regarding this quotation.

Sincerely,

TESCO CONTROLS

A handwritten signature in black ink, appearing to read 'Jonathan Felix', written in a cursive style.

Jonathan Felix
Technical Sales Estimator II
jfelix@tescocontrols.com