



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

BOARD OF DIRECTORS MEETING AGENDA - REVISED

Wednesday, July 12, 2023 – 1:30 p.m.

Location – 1630 W. Redlands Blvd., Ste. A, Redlands, CA 92373

Anyone wishing to listen to or participate in the meeting can join via Zoom:

Call in (669) 900-6833, Meeting ID: 811 5882 7619

To join the Zoom Meeting on <https://us02web.zoom.us/j/81158827619>

While the District makes every attempt to follow all guidance re COVID-19 safety protocols, the District cannot assure in-person attendees that they will not be exposed to COVID-19 or persons who have been so exposed, and attendees are advised to exercise caution in limiting their own incidences of exposure, particularly those who may be in groups at higher risk of infection, or serious symptoms of COVID-19 if infected.

Note: Copies of staff reports and other documents relating to the items on this agenda are on file at the District office and are available for public review during normal District business hours. New information relating to agenda topics listed, received, or generated by the District after the posting of this agenda, but before the meeting, will be made available upon request at the District office and in the Agenda Package on the District’s website. It is the intention of the San Bernardino Valley Water Conservation District to comply with the Americans with Disabilities Act (ADA) in all respects. If you need special assistance with respect to the agenda or other written materials forwarded to the members of the Board for consideration at the public meeting, or if as a participant at this meeting you will need special assistance, the District will attempt to accommodate you in every reasonable manner. Please contact Athena Laroche at (909) 793-2503 at least 48 hours prior to the meeting to inform her of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

1. PUBLIC PARTICIPATION

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) Section 54954.2 of the Government Code.

2. ADDITIONS/DELETIONS TO AGENDA

Section 54954.2 provides that a legislative body may take action on items of business not appearing on the posted agenda under the following conditions: (1) an emergency situation exists, as defined in Section 54956.5; (2) a need to take immediate action and the need for action came to the attention of the District subsequent to the agenda being posted; and (3) the item was posted for a prior meeting occurring not

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373

Phone: 909.793.2503

Fax: 909.793.0188

www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

- 3. **GUEST RECOGNITION/SELF INTRODUCTIONS**

- 4. **CONSENT CALENDAR**
 - A. Approval of Strategic Planning Workshop #1 Minutes, June 6, 2023.....7
 - B. Approval of Board Minutes, June 14, 202312
 - C. Approval of Expenditure Report, June 202324
 - D. Report of Excused Absences

- 5. **COMMITTEE REPORTS /ACTION ITEMS**

Action Items

- A. UNAUDITED FINANCIAL REPORTS, JUNE 2023 – 5 Minutes (M#1947).....35
Presenter: Angie Quiroga/Betsy Miller
Recommendation: Review and approve the unaudited financials for June 2023.

- B. AWARD OF CONTRACT SERVICES AGREEMENT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION MANAGEMENT AND INSPECTION FOR THE MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT – 10 Minutes (M#1948)42
Presenter: Erwin Fogerson/Katelyn Scholte
Recommendation: Staff recommends that the Board 1) Authorize staff to terminate negotiations with Geocon West Inc.; 2) Review and authorize staff to enter into an contract services agreement for professional services with G3 Quality, Inc. for construction inspection and materials testing services for capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$178,291; 3) Authorize staff to adjust the contract services agreement for professional services Schedule of Fees and add language to clarify the Scope of Services may be modified at the discretion of the General Manager based upon final negotiation of the contract within the authorized contract amount; and 4) Authorize a ten percent (10%) contingency and approve the General Manager to negotiate and approve any required additional work for construction support up to that amount.

- C. MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT CONSTRUCTION CONTRACT AWARD – 5 Minutes (M#1949).....71
Presenter: Katelyn Scholte/Erwin Fogerson
Recommendation: Staff recommends that the Board: (1) Award a contract to Empire Equipment Services, Inc (Riverside, CA) in the amount of \$1,353,234.08 for the Project; (2) authorize a contingency fund of \$135,324 for the Project; (3) authorize the General Manager to approve the expenditure of the contingency fund of \$135,324 for verified quantity overruns for this unit priced construction contract and order any necessary changes or additions in work performed under the contract; (4) authorize General Manager to accept the work when complete and execute and file the Notice of Completion; (5) authorize the General Manager to secure a letter of credit (LOC) with an

appropriate qualifying lender, or alternatively, to make a refundable cash deposit from District reserves, in favor of/with the California Department of Fish and Wildlife (CDFW) in the amount of \$175,000, as required by the Streambed Alteration Agreement for the project, which will secure the Project’s required mitigation.

D. AMENDMENT 3 TO THE MILL CREEK GROUNDWATER RECHARGE FACILITY OPERATION AND MAINTENANCE PERMITTING PROFESSIONAL SERVICES CONTRACT AWARD – 5 Minutes (M#1950)106

Presenter: *Betsy Miller*

Recommendation: Staff recommends that the Board amend the Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting Professional Services Contract with AECOM to authorize 1) New Task 15A Habitat Suitability Assessment, 2) Optional Task 15B Small Mammal Trapping, 3) New Task 15C Small Mammal Report, 4) Optional Task 16 Small Mammal Avoidance and Minimization Plan, and 5) New Task 17 Small Mammal Report for a total cost of \$56,733 to fulfill permit requirements from California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 and U.S. Army Corps of Engineers 408 Permission Number SPL-408-2018-030 in support of the Mill Creek Diversion and Debris Management Improvement Project.

E. EQUALIZATION AND CLOSING COSTS PAYMENTS FOR WASH PLAN LAND EXCHANGE – 5 Minutes (M#1951)114

Presenter: *Betsy Miller*

Recommendation: Staff recommends that the Board authorize the General Manager to expend \$70,000 in equalization payments for the Wash Plan land exchange; and up to \$35,000 in fees associated with the processing and final documentation of the Wash Plan land exchange to the Bureau of Land Management or title, escrow, or other involved party.

F. CAPITAL PURCHASE OF SECURITY SYSTEM UPGRADES – 5 Minutes (M#1952)117

Presenter: *Betsy Miller*

Recommendation: Authorize the capital purchase of security system upgrades, including door access, security cameras, roof cameras, alarm system, and fire alarm for Redlands Plaza at a cost not to exceed \$49,791, with recurring monthly service fees of \$750.00 as adjusted for inflation.

G. CAPITAL PURCHASE OF FORD F-350 – 5 Minutes (M#1953)187

Presenter: *Betsy Miller*

Recommendation: Authorize the capital purchase of Ford F-350 and associated warranty for the Operations staff at a cost not to exceed \$74,500.

H. CSDA BOARD OF DIRECTORS ELECTIONS FOR 2024-2026, SEAT C-SOUTHERN NETWORK – 5 Minutes (M#1954)190

Presenter: *Betsy Miller*

Recommendation: Select a candidate for the CSDA Board of Directors Elections for 2024-2026, Seat C-Southern Network, and direct staff to nominate the Board’s selected candidate via the California Special District’s Association (CSDA) online voting platform reflecting the Board’s decision.

6. INFORMATION ITEMS:

A. Engineering Update199
 B. PERC Status Report No. 14201
 C. Wash Plan Trails Status Report206
 D. Environmental Update207
 E. Upper Santa Ana River Wash Plan HCP FY23 Annual Report (handout)
 F. Board President Monthly Verbal Update
 G. General Manager’s Report and Monthly Recharge Report209
 H. Future Agenda Items & Staff Tasks

7. MONTHLY BOARD MEMBER MEETING REPORTS, AND/OR BOARD MEMBER COMMENTS

8. UPCOMING MEETINGS:

- A. July 13, 2023 Strategic Planning Workshop #2, 9:00 a.m. at Conservation District
(Zoom Meeting ID: 874 1181 2900)
- B. July 13, 2023 San Bernardino Valley Municipal Water District Debt Service Fund Budget Workshop, 2:00 p.m. at San Bernardino Valley
- C. July 18, 2023 Big Bear Watermaster Committee, 11:00 a.m. at Big Bear Municipal Water District
(Zoom Meeting ID: 829 6940 3770)
- D. July 18, 2023 San Bernardino Valley Municipal Water District Board of Directors Meeting, 2:00 p.m. at San Bernardino Valley
- E. July 18, 2023 Association of San Bernardino Special Districts Dinner, 6:00 p.m. hosted by Hesperia Recreation & Park District at the Percy Bakker Community Center in Hesperia
Topic: Emotional Intelligence: Today’s Soft Skill for Success
- F. July 19, 2023 USAR WIFA Meeting, 8:30 a.m. via Teleconference Only
- G. July 19, 2023 San Bernardino Valley Conservation Trust, 2:00 p.m. at Conservation District
(Zoom Meeting ID: 813 4164 0768)
- H. July 25, 2023 Operations Committee Meeting, 9:00 a.m. at Conservation District
(Zoom Meeting ID: 844 3764 5193)

- I. July 26, 2023 USAR WIFA Technical Advisory Committee Meeting, 8:30 a.m. via Teleconference Only
- J. July 26, 2023 Finance & Administration Committee, 1:30 p.m. at Conservation District
(Zoom Meeting ID: 889 6222 4810)
- K. August 1, 2023 San Bernardino Valley Municipal Water District Board of Directors Meeting, 2:00 p.m. at San Bernardino Valley
- L. August 7, 2023 Basin Technical Advisory Committee, 1:30 p.m. at San Bernardino Valley
- M. August 8, 2023 Strategic Planning Workshop #3, at 1:30 p.m. at Conservation District
(Zoom Meeting ID: 875 9715 2342)
- N. August 9, 2023 USAR WIFA Technical Advisory Committee Meeting, 8:30 a.m. via Teleconference Only
- O. August 10, 2023 Board of Directors Meeting, 1:30 p.m. at Conservation District
(Zoom Meeting ID: 828 2351 1711)
- P. August 11, 2023 Southern California Water Conference, 8:00 a.m.-1:00 p.m., Ontario Double Tree Hotel
- Q. August 15, 2023 PERC Policy Committee, 9:00 a.m. at Conservation District
(Zoom Meeting ID: 819 4812 7083)

9. **CLOSED SESSION**

1. The Board may meet in Closed Session under authority of Government Code §54956.9 (a), in order to discuss existing litigation, Endangered Habitats League et al. vs. U.S. Army Corps of Engineers, Central District Court Case no. Case No.: 2:16-cv-09178-MWF-E.
2. The Board may convene in Closed Session for Conference to discuss Real Property Negotiations pursuant to Government Code §54956.8; Owner: Southern California Edison East End Hydroelectric Generation Plant property located on various parcels and easements in Mill Creek and Santa Ana River Canyons, Negotiator: Betsy Miller and David Cosgrove Owner: Southern California Edison Negotiators Allison, Bahen, Property Manager and Steven Powell, Vice President.
3. The Board may meet in Closed Session under Government Code section 54956.8, to discuss the terms and conditions of potential acquisition of Federal properties as part of the Wash Plan land exchange with BLM, consisting of 327.5 acres of the Federal Exchange Parcel, and 90 acres of the Federal Equalization Parcels, in exchange for District property of Assessor Parcel Nos. 0291-151-01, -02, and-05. David Cosgrove and Betsy Miller are the District's negotiators, and Dana Glass is the lead negotiator for BLM.

4. The Board may convene in closed Session under authority of Government Code section 54957 (b) to consider the performance evaluation of District Counsel.

10. **ADJOURN MEETING.** The next regularly scheduled Board of Directors Meeting will be on August 9, 2023, at 1:30 p.m., at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA and via Zoom/teleconference.

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
STRATEGIC PLANNING WORKSHOP

MINUTES OF June 6, 2023
1:30 P.M.

President McDonald called the Strategic Planning Workshop of the Board of Directors to order at 1:36 p.m.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President
Robert Stewart, Vice President
David E. Raley, Director (Arrival:1:46 p.m./Departure: 3:42 p.m.)
John Longville, Director
Richard Corneille, Director

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, Rutan & Tucker

STAFF PRESENT:

Betsy Miller, General Manager
Milan Mitrovich, Land Resource Manager
Athena Laroche, Administrative Specialist
Katelyn Scholte, Principal Engineer
Anna Frey, Assistant Biologist
Erwin Fogerson, ARTP Engineer

GUESTS PRESENT:

Ellen Cross, Strategy Driver
Maria Pascoal, Strategy Driver
David E. Smith, East Valley Water District

1. PUBLIC PARTICIPATION

President McDonald announced this as the time for any persons present, who so desire, to make an oral presentation to the Board of Directors. Hearing none, the meeting continued with published agenda items.

2. ADDITIONS/DELITIONS TO AGENDA

There were none.

3. STRATEGIC PLANNING WORKSHOP

Those in attendance made self-introductions.

Ms. Miller introduced this item for discussion. She noted that Strategy Driver had previously led a strategic planning update workshop for staff to review the draft Mission, Vision and Values. Ms. Cross reviewed the strategic planning update process and the workshop agenda using a PowerPoint presentation. She noted that the survey was sent out to Board, staff, and partner agencies in April and over thirty pages of responses were received. That input, along with feedback from the staff workshop, was used to create the Mission, Vision, and Values presented for discussion today. Ms. Pascoal reviewed the Strategic Plan Update approach via PowerPoint. The mission statement summarizes the organization's core purpose, focus, and aims. The vision statement focuses on the future and is a source of inspiration. The values define the way the organization conducts its business. Ms. Cross congratulated the District on the high-functioning Board and staff. She reviewed the history of the District. Director Corneille asked for Ms. Cross' opinion on how often a strategic plan should be revised. Ms. Cross indicated that they are typically updated three to five years. Ms. Pascoal reviewed examples of missions and visions from other companies. The District's current mission was reviewed and suggestions to improve the mission were reviewed in depth. Ms. Pascoal read the draft mission statement with edits incorporated. Ms. Cross asked if anything was missing. Ms. Pascoal read the draft vision statement. The draft values were reviewed. Vice President Stewart said he believes the vision statement should be more forward facing. Ms. Cross acknowledged the District's incredible work for the past ten decades and the values that have enabled it to do so. She said the District should take credit for how it operates and noted that these values will carry forward. Scrappy was removed from the Mission and Vision based on feedback. President McDonald spoke in support of the term, noting it reflected the District's cost-effectiveness and our pride at accomplishing our mission in-house. Ms. Cross indicated that this essence has been captured in both the Mission and Vision. Director Raley indicated that the District has increased our focus on the environment from our early days, noting this as a current need. Director Corneille supported including references to our history in the Mission but stated that the Vision should focus on our future. Director Corneille discussed the importance of natural lands as a community asset. Ms. Cross said that the goals and objectives will include more detail on the natural lands. Director Raley said that the District will need to work to balance access with habitat protection. It was the consensus of the Board to address this in the goals and objectives.

Director Corneille asked for more detail on working landscapes. Ms. Cross indicated that goals and objectives also cover this more thoroughly. She indicated that all District lands, including the Redlands Plaza, could be considered a working landscape. Ms. Cross reviewed the core Mission of the District. Director Corneille spoke in support of the current Mission and Vision. President McDonald inquired about the use of "flora and fauna" in the Mission. Ms. Cross said that it was used as a less technical term for environment and habitat. Director Longville spoke in support of

the use of "flora and fauna" indicating it provides an opportunity to describe this function of the District. Director Raley supported purchasing additional lands to serve the District's primary function. President McDonald expressed her support of the draft Mission and Vision. She indicated that the District is moving to a new level. Director Stewart supported bold, upfront statements. President McDonald stated that incorporating the District's history is essential. Ms. Cross said that the District was one of the first agencies to harmonize our water mission with habitat.

The Draft Updated Mission is as follows:

"As one of California's first sustainable groundwater replenishment agencies, the District proactively recharges and improves groundwater for the benefit of water users, local businesses, and native flora and fauna in a financially responsible way.

The District leverages our unparalleled expertise as stewards of the water and land, responsibly innovating water and habitat conservation, harmonizing and enhancing working landscapes, and enriching open space as a community asset."

Ms. Cross read the Draft Updated Vision and requested feedback from the Board. Ms. Miller stated that during staff discussions it was noted that carbon is another way of referring to the use of energy to conduct recharge, which results in perpetual costs to rate-payers and introduces additional risks to operations by being subject – unlike gravity – to shutoffs. Ms. Cross discussed the use of "carbon conscious" which replaced the previously used term "carbon neutral". Director Corneille spoke in support of the use of "carbon-conscious". He asked about including verbiage in the Vision to recognize the expansion of services such as the Program for Expansion of Recharge Capacity (PERC) projects. Ms. Cross said that a goal has been created to cover objectives related to expanded services. Director Corneille said that we will be expanding our services to benefit others. President McDonald suggested adding a reference to partnerships. Director Raley asked how the District lost facilities in the past. Mr. Fogerson said that the District lost basins when the Seven Oaks Dam was constructed. Ms. Miller said that we are in the process of adding additional recharge capacity with Enhanced Recharge Project and PERC projects. Director Longville asked if there are any potential District boundary changes in the near future. President McDonald indicated that our sphere has changed. There is no plan for boundary changes currently. Discussion ensued on refining the vision statement. Director Longville suggested expanding upon "operating landscapes. "It was the consensus of the Board to provide direction to Ms. Cross and Ms. Pascoal to continue to work on refining the Vision statement and bring this item back to the next workshop.

The Draft Updated Vision is as follows:

"With over a century of storing groundwater beneath our multi-functional lands and protecting diverse habitat and open space, our prescient District

will continue to drive water supply through nature-based solutions and collaborative partnerships to expand our regions water reliability.

The District fosters economic vitality and endangered species to thrive compatibility in the face of competing resources. We advance sustainable carbon-conscious practices to create a resilient future for our interconnected people and ecosystems for generations to come.

San Bernardino Valley Water Conservation District – Partnering With Nature To Store Our Water“

The draft Values were reviewed in detail via PowerPoint. These values were developed using survey responses. Ms. Cross discussed the use of “resilient” noting that many funding agencies want to see this within the application. Revisions were discussed and incorporated into the new draft Values.

The New Draft Values are listed as follows:

- 1. We embody integrity through fiscal responsibility in public service by holding ourselves accountable to our partners and community at large.*
- 2. We continue to build our community of neighbors, employees, businesses, and partners who drive our mission. Our success depends on collaborative partnerships that thrive on responsiveness and transparent communication.*
- 3. We are stewards of the water, land, and environment and are committed to sustainable practices ensuring a resilient future.*
- 4. We are ethical and respect both people and the environment to serve our community’s diverse values.*
- 5. We balance innovation and time-tested pragmatism to advance professional excellence, continually improving to meet the evolving priorities of today and a changing world tomorrow.*
- 6. We are resilient. We adapt to address future climate impacts and ensure the District’s next 100 years with our continue humble, flexible, and curious approach to water and the natural world.*

The next Strategic Planning Workshop is scheduled for July 13th at 9:00 a.m. to be held at the District and via Zoom.

4. ADJOURN MEETING

It was moved by Director Longville and seconded by Director Corneille to adjourn. The motion carried 4-0 with all Directors present voting in the affirmative and Director Raley noted absent from the vote.

President McDonald: Yes

Vice President Stewart: Yes

Director Longville: Yes
Director Raley: Absent
Director Corneille: Yes

At 3:53 p.m. the meeting adjourned to Regular Board Meeting scheduled for June 14, 2023, at 1:30 p.m. at District Headquarters, 1630 W. Redlands Blvd., Redlands, CA. and via Zoom/Teleconference.

Betsy Miller
General Manager

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
BOARD OF DIRECTORS MEETING

MINUTES OF JUNE 14, 2023
1:30 p.m.

Vice President Stewart called the Board of Directors meeting to order at 1:32 p.m. by in-person, teleconference, and Zoom meeting. All those in attendance stood for the pledge of allegiance led by Vice President Stewart. President McDonald participated via Zoom. Mr. Cosgrove noted that pursuant to Government Code Section 54953 (f)(1), 54953 (f)(2)(A)(i), and 54953 (f)(2)(a)(ii)(I) that President McDonald provided notification to the District that she would be unavailable to attend in person due to just cause under 54953 (j) (2) (d) that she is traveling on government business.

ROLL CALL:

BOARD MEMBERS PRESENT:

Melody McDonald, President
Robert Stewart, Vice President
Richard Corneille, Director
David E. Raley, Director
John Longville, Director (Arrival 2:01 p.m.)

BOARD MEMBERS ABSENT:

None

GENERAL COUNSEL PRESENT:

David Cosgrove, District Counsel

STAFF PRESENT:

Betsy Miller, General Manager
Milan Mitrovich, Land Resources Manager
Katelyn Scholte, Principal Engineer
Erwin Fogerson, PERC Engineer
Athena Laroche, Administrative Specialist
Angie Quiroga, Senior Administrative Analyst

GUESTS PRESENT:

Paul Kielhold, San Bernardino Valley
June Hayes, San Bernardino Valley
T. Milford Harrison, San Bernardino Valley
Willow Green, Tetra Tech
David E. Smith, East Valley Water District

1. PUBLIC PARTICIPATION

Vice-President Stewart announced that any persons present, who so desired, may make an oral presentation to the Board of Directors. There being none, the meeting continued with the posted agenda items.

2. ADDITIONS/DELETIONS TO AGENDA

There were no additions and deletions to the posted agenda.

3. GUEST RECOGNITIONS/SELF INTRODUCTIONS

Staff, Board, and guests made self-introductions.

4. CONSENT CALENDAR

Director Corneille asked for additional information on the expenditure related to San Bernardino County cleaning. Ms. Miller indicated that the District coordinates with San Bernardino County on behalf of the Groundwater Council for basin cleaning; this is a pass-through cost. Director Corneille asked about the status of the Integrated Planning and Management contract. Ms. Miller noted that this is the remainder of the one-year agreement with Daniel Cozad. Director Raley asked if Daniel will be under contract in the coming year and Ms. Miller stated that he will not. Director Corneille asked for additional information on the Kamala Construction expenditure. Ms. Quiroga noted that this is work being done to prepare for a new tenant in Suite K, which has been leased to All-Star Physical Therapy.

It was moved by Director Corneille and seconded by Director Raley to approve the Consent Calendar: Item A: Board Minutes, May 17, 2023; Item B: Budget Workshop Minutes, May 17, 2023; and Item C: Expenditure Report, May 2023. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was absent from the vote.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Absent
Director Raley: Yes**

5. COMMITTEE REPORTS/ACTION ITEMS

A. UNAUDITED FINANCIAL REPORT, MAY 2023

Ms. Quiroga introduced this item for discussion, noting its inclusion on package page 29. She stated that GL 4010 Interest Income continues to make noticeable gains, and that GL 4032 Cemex-Royalty/Lease mining revenue and GL 4050 Property Tax revenue will end the year above budget. She said that GL 5120

Miscellaneous Professional Services will end the year over budget, primarily due to the pass-through payment for the groundwater modeling by the Groundwater Council and the late invoice received for Plunge Creek. She indicated that GL 5122 Wash Plan Professional Services would be adjusted once reimbursement payments are received from Wash Plan participants. There have been higher expenditures in GL 5320 Fuel due to increased fuel costs and fuel needs for rented equipment. Ms. Miller said that the loader is being used to load dump trucks and haul sand away in order to maintain our Mill Creek recharge basins. Ms. Quiroga reviewed package page 31, noting that GL 4013 CalTrust Investment Income increased by approximately \$9,000; GL 4015 UBS Interest Income increased by about \$34,000; and GL 4016 Interest Income PERC increased by roughly \$100,000 for May. She noted that GL 4026 GW Sustainability/Replenishment, \$39,156, would be expended by year-end. As of May 31, the District's cash position is \$3,127,194.

Ms. Quiroga reviewed the Profit & Loss to Date vs. Annual Budget beginning on package page 33. She noted that GL 4025 Wash Plan Revenue decreased due to mitigation expenses. There was a \$6000 payment received for GL 4036 Aggregate Maintenance. GL 4040 Miscellaneous Income reimbursed expenses were allocated to the appropriate accounts, including placement of approximately \$200,000 received from D.R. Horton in a holding account. Director Raley asked why the property tax is twice what was budgeted. Ms. Quiroga stated that the budgeted amount is based on the estimate given by the County. She said an additional \$51,000 for GL 4050 Property Tax has been collected to date. GL 5123 Habitat Management increased by \$30,000. Staff added GL 5128 GC Non-District Facilities Maintenance, and a pass-through payment of \$91,134 was made to San Bernardino Valley. Director Corneille asked for details on the groundwater model scope resulting in the pass-through payment on behalf of the Groundwater Council. Ms. Miller stated that the model is to identify how much groundwater is being recharged naturally into streams and how much water is being recharged through active recharge conducted by our District and others.

It was moved by Director Corneille and seconded by Director Raley to approve the Unaudited Financial Reports from May 2023. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was absent from the vote.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Absent
Director Raley: Yes**

B. DISTRICT AND ENTERPRISE BUDGET APPROVAL FOR FISCAL YEAR 2023-2024

Ms. Miller introduced this item for discussion, noting its inclusion beginning package on page 36. She thanked Ms. Quiroga for her hard work to prepare the budget. Ms. Miller noted review of the Groundwater Enterprise Budget by the Finance & Administration Committee on January 25, and the review of the draft District and Enterprise Budget for FY24 by the Finance & Administration Committee on March 22. The Operations Committee reviewed the Capital Improvement Projects Priority List for 23/24 at their meeting on January 24th. The full Board reviewed the materials included on package page

43 during a Budget Workshop on May 17. The Finance & Administration Committee recommended the Board approve the District and Enterprise Budget for FY24. Based on comments received at the Budget Workshop, the following revisions were incorporated into the draft budget before the Board today: 1) Column totals were updated for GL 4025 Wash Plan Revenue, GL 4999 Trust Reimbursement WP, GL 6060 Outreach, and GL 4032 Cemex-Royalty/Lease mining revenue 2) the Capital Improvement Project (CIP) budget was cross-checked and updated to align with the larger long-term capital budget, and 3)) GL 7150 Mill Creek Diversion Project was updated to reflect recent Board approvals related to this project.

Director Raley asked if the royalty rate will have increased. Mr. Cosgrove said that the royalty rate is indexed to protect for inflation. Director Corneille asked for additional information on the \$295,900 interest income that is anticipated for Wash Plan implementation. Ms. Miller indicated that this would be contingent upon completion of the Land Exchange and receipt of the 2081 for Wash Plan projects from CDFW. The funding will be received as part of issuing Wash Plan certificates of inclusion to Robertson's and CEMEX. The budget was prepared based on the funds being received by the beginning of 2024. Director Corneille asked what the amount is that is due to District. Ms. Miller indicated that it is approximately \$8,000,000 in 2016 dollars, so the current amount will be higher due to inflation. Mr. Cosgrove said that there is a required interest catch-up as well. Director Corneille asked about the impact if the funds come in late. Ms. Miller indicated that staff would return to the Board and request a budget amendment if the funds are not received. Ms. Quiroga noted that package page 41 states, "Staff recommends that the Board authorize a loan of up to \$12,550 from the Land Enterprise to the Wash Plan for the completion of these tasks if needed"; the correct amount is \$45,550. Discussion ensued on Wash Plan Implementation. Director Raley stated that when we speak of loans, we are speaking of transferring money between enterprises or GL's. Director Corneille expressed concern over permitting being the main issue related to Wash Plan implementation. Staff will continue to coordinate with mining partners and has a contingency plan in place if endowment funds are not received as anticipated.

Ms. Miller said that GL 5126 GW Sustainability/Replenishment decreased by approximately \$16,000, showing a decrease in expenses but no change in revenue. Director Corneille noted that the operating revenue is \$5,474,923 with a CIP budget of approximately \$8,000,000 and asked if we will be expending the full CIP budget. Ms. Miller said that she estimates approximately half of the CIP budget will be expended in FY24 based on staff capacity. Director Corneille asked if the proposed FY24 CIPs are fully funded. Ms. Miller confirmed that these projects are fully funded via reserves. The reserve levels were provided as a handout.

It was moved by Director Raley and seconded by Director Corneille to approve the District and Enterprise Budget for FY24 as presented. The motion carried 4-0, with all Board members present voting in the affirmative. Director Longville was noted absent from the vote.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Absent
Director Raley: Yes**

C. MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT APPROVAL

Ms. Scholte introduced this item, noting its inclusion on package page 48. The complete bid package was provided as a handout and is color coded as follows: 1) Yellow – Specifications, 2) Green –Permits, 3) Pink – Special Plans, 4) Brown – Reports, and 5) White – Plans and Bid documents. This project began in 2014 when several storms knocked out the berm and debris that clogged the diversion structure. CWE started the design and permitting to redesign the structure and the District has worked for several years to obtain the required encroachment, 401, 404, 408, and WDR permits, with a revised 1602 permit expected by the end of this month. Through the process with the United States Army Corp of Engineers (COE), revisions, geotechnical testing, and environmental work has been completed. The bid package was released in May, and the pre-bid meeting was held yesterday. Staff is reviewing questions received from potential bidders and will issue a minor addendum to provide clarification. Mr. Fogerson said the contractors are comfortable with the 80 working days noted in the bid package. The bid package was reviewed and approved for bid by the Operations Committee on May 19th. He stated that since we issued the bid without going through Board plan approval, this item is going to certify the advisements of the bid package and specs and allow us to move forward with advertising this project. Staff will bring back items to award a contract for the selected bidder in July and begin construction in August.

It was moved by Director Corneille and seconded by Director Raley to approve the Plans and Special Provisions for the Mill Creek Diversion and Debris Management Improvement Project as signed by the registered Civil Engineer, approve the contract bid documents including Notice Inviting Bids, Sample Agreement, Instruction to Bidders and Bid Proposal and Certify the advertisement of the project for bid. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Corneille: Yes

Director Longville: Yes

Director Raley: Yes

D. AWARD OF CONTRACT SERVICES AGREEMENT FOR PROFESSIONAL SERVICES FOR CONSTRUCTION MANAGEMENT AND INSPECTION FOR THE MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT

Ms. Scholte introduced this item for discussion, noting its inclusion beginning package on page 51. This contract includes construction management and inspection tasks for the Mill Creek Diversion and Debris Management Improvement Project (Mill Creek). Specifically, the contract will hire an inspector to complete all materials testing. Geocon is a local firm that is certified by the COE and the American Concrete Institute to perform testing. Staff received proposals from five companies and spoke with consultants to clarify the proposals. Staff recommends award of the contract to Geocon in an amount not to exceed \$164,650 with a 20% contingency. Staff assumed 100 working days within the contract to account for the non-working days that may occur. Director Corneille said that the 20% is higher than is often used but he is confident that staff will closely monitor costs. He inquired about the estimate of 900

hours for the inspector. Mr. Fogerson said that is based on how often two inspectors will be needed on site; material testing will be on site as well. He said that staff does not anticipate the use of the contingency, but request it in order to ensure the project moves forward expeditiously and without the need to return to the Board during construction which could result in a project delay. Director Corneille asked to update Mr. Fogerson's title to PERC Engineer rather than ARTP Engineer. Director Raley shared Director Corneille's concern regarding the contingency and requested that staff report the actual expenditure amounts to the Board. Director Stewart said that this is a good opportunity to observe material testing and will help staff expand their knowledge.

It was moved by Director Corneille and seconded by Director Longville to authorize staff to enter into a contract services agreement for professional services with Geocon West Inc. for construction inspection and materials testing services for capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$164,650, authorize staff to adjust the contract services agreement for professional services Schedule of Fees, add language to clarify the Scope of Services based upon the final negotiation of the contract within the authorized contract amount, authorize a twenty percent (20%) contingency, and approve the General Manager to negotiate and approve additional work for construction support up to that amount, directing staff to report to the Board the amount actually expended. The motion carried 5-0, with all Board members present voting in the affirmative.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Yes
Director Raley: Yes**

E. AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION SURVEY SERVICES FOR THE MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT

Mr. Fogerson introduced this item for discussion, noting its inclusion on package page 68. Staff recommends a local firm, CASC Engineering and Consulting (CASC), to perform survey services for Mill Creek in a contract amount not to exceed \$92,915, with a 20% contingency. Director Corneille said that the office time included in the contract seems higher than expected compared to field time. Mr. Fogerson said that is due to the use of certain technology and the survey instruments utilized. He also stated that CASC would review and double-check the Districts' plans. Ms. Scholte said they would perform pre- and post-drone flights to check the earthwork. Director Corneille said the hourly rate and hours seemed high for the CASC project and asked if there is another rate for others in the office. Mr. Fogerson stated that staff will discuss this with CASC. Director Stewart requested to view the site before construction. Staff will advise Operations Committee when the site will be ready for viewing.

It was moved by Director Corneille and seconded by Director Raley to authorize staff to enter into a professional services agreement with CASC Engineering and Consulting for construction survey services for the capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$92,915, authorize, a staff to adjust the professional services agreement Schedule of Fees and add language to clarify the Scope of Services based upon the final negotiation of the contract within the authorized contract amount, authorize, a a twenty percent (20%) contingency, and approve the General Manager to negotiate and approve additional work for construction support up to that amount, directing staff to report to the Board the amount actually expended and negotiate the office hours rate. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Corneille: Yes

Director Longville: Yes

Director Raley: Yes

F. PURCHASE OF GROUNDWATER CHARGE REPLENISHMENT/SUSTAINABILITY WATER

Ms. Miller introduced this item for discussion, noting its inclusion on package page 84. This item partially fulfills requirements of Board Resolutions No. 599 and 610. In these resolutions, the District committed to collecting Replenishment/Sustainability funds dedicated to purchasing imported water to augment local supply to refill the Bunker Hill Groundwater Basin. These funds will be transferred to San Bernardino Valley Municipal Water District (Valley) for the purchase of 450 AF of imported water to be recharged into the aquifer via our basins. President McDonald asked what percentage of Valley's State Water Project (SWP) allocation was received. Ms. Miller stated that the full 100% allocation was received. Mr. Kielhold noted that Valley has other arrangements in addition to the SWP allocation, which will bring approximately 115,000 acre-feet of additional water to the basin. Director Corneille spoke in support of these efforts. Vice President Stewart asked if we had the capacity to recharge this amount of water. Ms. Scholte said that the Groundwater Council (GC) has asked the District to take as much water as possible, and the District is working to optimize recharge in its facilities. Vice President Stewart said that the District should purchase as much water as it can, dependent on the reserves we have available to purchase water. Ms. Miller indicated that the District will receive additional groundwater charge funds in July and will also identify other opportunities for additional recharge.

It was moved by Director Longville and seconded by Director Raley to approve the purchase of approximately 450-acre feet of imported water from San Bernardino Valley using the Replenishment/Sustainability component of the groundwater charge in an amount up to \$52,600.82 and authorize General Manager to remit such funds to San Bernardino Valley Municipal Water District, with instructions to such payee to

sequester the funds in a separate account to be devoted exclusively to the purchase of a portion of its imported water allocation for Bunker Hill Basin recharge. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Corneille: Yes

Director Longville: Yes

Director Raley: Yes

G. GENERAL MANAGER BONUS AND SALARY ADJUSTMENT

Ms. Miller was excused. Mr. Cosgrove introduced this item for discussion, noting its inclusion on package page 87. He said that the Ad Hoc General Manager Evaluation Committee recommends a COLA increase to the General Manager's salary by 6.2% changing her salary to \$265,500, in accordance with her contract, and an award of a cash bonus of \$15,000. Ms. Miller is eligible for a merit increase of up to 5%. However, she has requested these funds be used to increase salaries for the Field Operations team rather than accept an additional increase in her salary. President McDonald expressed her deepest gratitude to Ms. Miller for the job she is performing and how she is leading staff. Vice President Stewart and President McDonald thanked the Ad Hoc committee for their due diligence on this item.

It was moved by Director Longville and seconded by Director Raley to approve the 6.2 percent cost of living adjusted to the General Manager's base salary for an additional Fifteen Thousand Five Hundred (\$15,500) in accordance with her contract to bring the base salary amount to Two Hundred Sixty-Five Thousand and Five Hundred (\$265,500) dollars, and approve a merit bonus payment to the General Manager of Fifteen Thousand Dollars (\$15,000), and authorize the General Manager to allocate an additional Twelve Thousand Five Hundred dollars of salary expenses into the Field Operations Specialist salaries in the FY24 in lieu of a five percent base salary increase. The motion carried 5-0, with all Board members present voting in the affirmative.

President McDonald: Yes

Vice President Stewart: Yes

Director Corneille: Yes

Director Longville: Yes

Director Raley: Yes

6. INFORMATION ITEMS

A. ENVIRONMENTAL UPDATE

Mr. Mitrovich provided an update on this item, noting its inclusion on package pages 90 to 91. He reviewed the Slender-horned Spineflower (SHSF) Monitoring Program, noting that staff and Dudek have completed the comprehensive surveys for the new SHSF populations of the Wash Plan Preserve. He reviewed the San Bernardino Kangaroo Rat (SBKR) Monitoring Program, noting that staff completed surveys of 102 plots. President McDonald asked if the staff had seen SBKR in the field during spring surveys. Mr. Mitrovich said that the staff have been focused on habitat conditions and that trapping of SBKR will be performed in the fall by a permitted biologist. He thanked staff biologist Ms. Frey for her support.

Mr. Mitrovich reviewed the SHSF Restoration Program, indicating that Dudek has coordinated the advancement of the seeding bulking program. The Wash Plan annual report has been submitted to the U. S. Fish & Wildlife Service (FWS) as required by the Wash Plan; the report is posted on the District website.

Mr. Mitrovich reviewed the Mill Creek operations permits. He stated that the draft Safe Harbor Agreement, which covers ongoing operations and maintenance as well as future capital improvement projects at Mill Creek, is expected to be submitted to FWS for review in early June. Director Raley spoke to support implementing a water conservation scholarship through the University of Redlands. Staff will research scholarship opportunities and bring information back to the Board. Ms. Miller said that one of the items approved in the budget today gives the District the opportunity to work with a professor from CalPoly Pomona to support student interns and publish the work being done on the PERC projects. Director Longville noted that if funds are being conveyed from the District that he prefers it benefit San Bernardino County. This item was received and filed.

B. WASH PLAN TRAILS STATUS REPORT

Ms. Miller introduced this item for discussion, noting its inclusion on package page 92. Redlands staff indicated that they did not have concerns with the trails MOU or five-party agreement but are reviewing details with management prior to providing feedback. Ms. Miller will coordinate if needed to meet with the City Manager. This item was received and filed.

C. ENGINEERING UPDATE

Ms. Scholte introduced this item for discussion, noting its inclusion on package page 93. She said that the staff's primary focus has been the Mill Creek Diversion and Debris Management Improvement Project. The 408 and 404 permits have been received, and the California Department of Fish and Wildlife has received the renewal application for the 1602 permit. The District released RFPs for survey and geotechnical that were awarded today and held a pre-bid meeting for the construction contract yesterday. The bid package is posted on the District website as well as www.ebid.net. Staff will be opening bids on June 29. Director Corneille asked if we plan to give the bidders the engineer's construction cost estimate of the project. Ms. Scholte stated that the staff elected not to. She noted that although the footprint of the project is small it requires complex construction.

Ms. Scholte reviewed the Mentone Shop project. Staff met with the contractor last week, and he is prepared to install the water and electrical lines. The City of Redlands will install the fire hydrant water line since they are currently working in that area, and staff has contacted their contractor anticipating that the hydrant will be installed simultaneously. Staff analyzed costs to connect to sewer compared to installing a septic system: a sewer line would cost between \$100,000 to \$200,000 with septic costing approximately \$30,000. Staff asked for Board concurrence on proceeding with septic. Ms. Scholte said that the restroom facility would not be utilized often because field staff is out in the field. Vice President Stewart spoke in support of septic. Mr. Fogerson noted that staff is scheduled to meet with the County permit engineer tomorrow.

Ms. Scholte discussed the Enhanced Recharge project. The Phase 1A area that is between basins 15, 16 and 17 are completely fenced and captured are being held outside of the construction area per the project's permits. Grading has begun. Staff continues to work closely with Valley engineering staff to add a connection to D Dike. Mr. Fogerson said that Valley is modifying the outlet structures based on contractor and staff feedback.

Ms. Scholte reviewed the PERC projects. She said staff has received the models for Waterman, Twin, and Lynwood. Mr. Fogerson said that the 1D model (flow path through system) and 2D model (diversion structures) are currently being evaluated before being submitted to FCD. The geotechnical work is pending the basin routing, and the groundwater model is waiting for the input of the hydraulic model.

Ms. Scholte reviewed the Plunge and Oak Creek contract with CASC. The hydrology and average annual storm event report has been received and submitted to FCD for final approval. Geotechnical reports are complete, and the Plunge Creek site is subject to the land transfer. Once the land transfer is complete, staff can perform on-site testing.

Ms. Scholte reviewed the Mill Creek, Bledsoe, and Cook contract. The geophysics, seismic refraction, and reflection study has been received. Although there is a connection to the Bunker Hill Basin at Cook Creek, the depth to bedrock is twenty-five feet; therefore, the PERC Policy Committee opted not to continue with this site. Any additional funds will be rolled into other sites within the same contract. Ms. Scholte said that we have a notice to proceed with the hydrology study to determine how much water would be available at or near the Bledsoe Creek location. Mr. Fogerson said we are going to model the proposed diversion facility and use the model as a cross-check to verify the compacity of that system. It has been modeled for sediment, not hydraulics. Ms. Scholte said that previous CWE models did not include capacity. Ms. Scholte reviewed alternatives, including the potential for an additional diversion on the Mendoza Property. Mr. Fogerson said that the staff is looking at early lead projects for the PERC projects. Ms. Scholte said that one option is the south canal. Director Corneille noted that the PERC Policy Committee has approved the latest status report and offered for staff to share copies with anyone who is interested.

D. BOARD PRESIDENT MONTHLY VERBAL UPDATE

President McDonald noted that JPIA is currently onboarding the new Executive Committee members.

E. GENERAL MANAGER'S REPORT AND MONTHLY RECHARGE REPORT

Ms. Miller indicated that the written General Manager's Report was included in the Board package on pages 95 through 96. The total recharge is 54,479 AF to date for the water year; approximately 1000

AF of that is SWP water. Ms. Miller noted that the groundbreaking for Enhanced Recharge was on June 2. She reviewed the GC agreement renewal, noting that to date, the City of Redlands, the City of San Bernardino Water Department, the Conservation District, Fontana Water Company, San Bernardino Valley Water District, and Bear Valley Mutual Water Company have approved the amendment. West Valley Water District is taking this item to their Board tomorrow, and the City of Rialto is pending. Ms. Miller will continue to follow up with other member agencies. Director Corneille asked if there is a lead agency. Mr. Cosgrove stated that there is no lead agency, but the District has taken an active role in the renewal process. Tom Crowley serves as the chair for the GC. Ms. Miller noted that IERCD was unable to attend the San Bernardino County Regional Parks Fish and Wildlife Festival for the District on June 10. We do hope to be represented at that festival next year. Ms. Miller reviewed the District successes as noted under item 22 of the General Manager's report. The Monthly Recharge Report is included on package page 97. This item was received and filed.

F. FUTURE AGENDA ITEMS AND STAFF TASKS

There were none discussed.

7. MONTHLY BOARD MEMBER MEETING REPORTS AND/OR BOARD MEMBER COMMENTS

Director Corneille attended a strategic planning interview with Strategy Driver on April 19. He attended the Operations Committee meeting on May 19, Redlands Rise N Shine on June 2, and PERC Policy Committee on June 6. He attended the Basin Technical Advisory Committee (BTAC) on June 14. Director Corneille was pleased with the consensus of the local agencies to want to keep the water in the Bunker Hill Basin.

Director Raley attended the Redlands Rise N Shine on June 2 and signed expenditures for the District on May 31.

Director Longville attended the Budget Workshop on May 17.

President McDonald attended the San Bernardino Valley Resources and Engineering Workshop on June 13, the Association of San Bernardino County Special Districts (ASBCSD) on June 12, and the Strategic Planning Workshop on June 6. She attended the Enhanced Recharge groundbreaking on June 2, San Bernardino Valley Policy and Administration Workshop on June 1, and ACWA State Legislative Committee on May 26. She attended the San Bernardino Valley Resources and Engineering Workshop on May 18.

Vice President Stewart attended the Budget Workshop on May 17, Operations Committee on May 19 and Enhanced Recharge groundbreaking on June 2. He attended the Strategic Planning Workshop on June 6 and the Community Hike on June 3.

8. UPCOMING MEETINGS

Director Corneille requested the addition of BTAC and PERC meeting to the list, and Vice President Stewart asked for staff to schedule an Ad Hoc Trails Committee in either August or September. The next

Strategic Planning Workshop will be on July 13 for the Board, and tomorrow will be the staff workshop to review goals and objectives.

9. CLOSED SESSION

It was moved by Director Corneille and a second by Director Longville, adjourned to Closed Session. The motion carried 5-0, with all Directors present voting in the affirmative.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Yes
Director Raley: Yes**

General Counsel announced that the meeting would adjourn to a closed session to discuss all posted agenda items.

At 3:52 p.m., the meeting reconvened into an open session. Mr. Cosgrove noted that there was no reportable action during the closed session.

10. ADJOURN MEETING

It was moved by Director Longville and seconded by Director Raley to adjourn. The motion carried 5-0, with all Directors present voting in the affirmative. Director Longville was noted absent from the vote.

**President McDonald: Yes
Vice President Stewart: Yes
Director Corneille: Yes
Director Longville: Yes
Director Raley: Yes**

At 3:52 p.m., the meeting adjourned to the Board meeting scheduled for 1:30 p.m. on July 12, 2023, in-person, teleconference, and Zoom meeting.

Betsy Miller
General Manager

San Bernardino Valley Water Conservation District Expenditure Report June 2023

Num	Date	Name	Account	Class	Original Amount
PC 06.14.23	06/14/2023	Paychex	1012 · Citizens Busine...		-150.65
			6042 · Payroll Processing	4-General Fund Ent.	150.65
TOTAL					150.65
PC 06.28.23	06/28/2023	Paychex	1012 · Citizens Busine...		-140.06
			6042 · Payroll Processing	4-General Fund Ent.	140.06
TOTAL					140.06
ACH0254	06/14/2023	Melody McDonald	1012 · Citizens Busine...		-11.14
			6410 · Mileage	4-General Fund Ent.	11.14
TOTAL					11.14
ACH0255	06/17/2023	Raley, David	1012 · Citizens Busine...		-14.41
			6410 · Mileage	4-General Fund Ent.	14.41
TOTAL					14.41
ACH0256	06/27/2023	Melody McDonald	1012 · Citizens Busine...		-36.15
			6425 · Meals	4-General Fund Ent.	30.15
			6420 · Other Travel	4-General Fund Ent.	6.00
TOTAL					36.15
24213	06/06/2023	Aaron Pederson	1012 · Citizens Busine...		0.00
TOTAL					0.00
24214	06/06/2023	Aaron Pederson	1012 · Citizens Busine...		-35.00
	05/26/2023		6018 · Janitorial Services	4-General Fund Ent.	35.00
TOTAL					35.00
24215	06/06/2023	ACWA/JPIA-Health	1012 · Citizens Busine...		-23,138.71
	06/01/2023		6110 · Vision Insurance	4-General Fund Ent.	39.99
			6110 · Vision Insurance	1-Groundwater Ent.	138.41
			6110 · Vision Insurance	2-Redlands Plaza/...	12.30
			6110 · Vision Insurance	3-Land Resources	30.76
			6110 · Vision Insurance	5-Wash Plan	21.53
			6110 · Vision Insurance	6-Active Recharge ...	64.59
			6130 · Dental Insurance	4-General Fund Ent.	133.92
			6130 · Dental Insurance	1-Groundwater Ent.	463.57
			6130 · Dental Insurance	2-Redlands Plaza/...	41.21
			6130 · Dental Insurance	3-Land Resources	103.02
			6130 · Dental Insurance	5-Wash Plan	72.11
			6130 · Dental Insurance	6-Active Recharge ...	216.33
			6150 · Medical Insurance	4-General Fund Ent.	2,834.12
			6150 · Medical Insurance	1-Groundwater Ent.	9,810.44
			6150 · Medical Insurance	2-Redlands Plaza/...	872.04
			6150 · Medical Insurance	3-Land Resources	2,180.10

San Bernardino Valley Water Conservation District

07/06/23

Expenditure Report

June 2023

Num	Date	Name	Account	Class	Original Amount
			6150 · Medical Insurance	5-Wash Plan	1,526.07
			6150 · Medical Insurance	6-Active Recharge ...	4,578.20
TOTAL					23,138.71
24216	06/06/2023	American Express	1012 · Citizens Busine...		-1,816.26
	05/31/2023		6525 · Meals	4-General Fund Ent.	18.78
			6525 · Meals	1-Groundwater Ent.	14.61
			6525 · Meals	3-Land Resources	8.35
			6530 · Lodging	4-General Fund Ent.	794.16
			6530 · Lodging	1-Groundwater Ent.	617.68
			6530 · Lodging	3-Land Resources	352.96
			6535 · Conf/Seminar R...	4-General Fund Ent.	27.00
			6535 · Conf/Seminar R...	1-Groundwater Ent.	21.00
			6535 · Conf/Seminar R...	3-Land Resources	12.00
			6090 · Subscriptions/Pu...	4-General Fund Ent.	35.00
TOTAL					1,901.54
24217	06/06/2023	American Power Security	1012 · Citizens Busine...		-1,120.00
	05/23/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	1,120.00
TOTAL					1,120.00
24218	06/06/2023	Big Bear Municipal Wa...	1012 · Citizens Busine...		-12,285.98
	05/01/2023		5125 · Engineering Ser...	1-Groundwater Ent.	12,285.98
TOTAL					12,285.98
24219	06/06/2023	Cal Fire	1012 · Citizens Busine...		-4,853.09
	06/01/2023		5223 · Temp. Field Labor	1-Groundwater Ent.	4,853.09
TOTAL					4,853.09
24220	06/06/2023	Castro Landscaping Se...	1012 · Citizens Busine...		-250.00
	05/30/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	250.00
TOTAL					250.00
24221	06/06/2023	Citizens Business Bank	1012 · Citizens Busine...		-3,384.97
	05/11/2023		5215 · Property Mainte...	1-Groundwater Ent.	64.55
			5215 · Property Mainte...	3-Land Resources	16.14
			6002 · Website Adminis...	4-General Fund Ent.	365.00
			6004 · Meeting Expenses	1-Groundwater Ent.	41.76
			6004 · Meeting Expenses	3-Land Resources	41.76
			6027 · Computer Softw...	4-General Fund Ent.	399.50
			6027 · Computer Softw...	1-Groundwater Ent.	92.92
			6027 · Computer Softw...	2-Redlands Plaza/...	139.36
			6027 · Computer Softw...	3-Land Resources	139.36
			6027 · Computer Softw...	6-Active Recharge ...	157.94
			6030 · Office Supplies	4-General Fund Ent.	46.09
			6030 · Office Supplies	1-Groundwater Ent.	2.88
			6030 · Office Supplies	2-Redlands Plaza/...	5.76
			6030 · Office Supplies	3-Land Resources	2.88
			6039 · Postage and Ov...	4-General Fund Ent.	60.30
			6039 · Postage and Ov...	1-Groundwater Ent.	27.41
			6039 · Postage and Ov...	2-Redlands Plaza/...	10.97
			6039 · Postage and Ov...	3-Land Resources	10.97

San Bernardino Valley Water Conservation District
Expenditure Report
June 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
			6051 · Uniforms	4-General Fund Ent.	243.79
			6051 · Uniforms	1-Groundwater Ent.	568.85
			6525 · Meals	4-General Fund Ent.	90.54
			6525 · Meals	1-Groundwater Ent.	70.42
			6525 · Meals	3-Land Resources	40.24
			6530 · Lodging	4-General Fund Ent.	335.51
			6530 · Lodging	1-Groundwater Ent.	260.95
			6530 · Lodging	3-Land Resources	149.12
TOTAL					3,384.97
24222	06/06/2023	Day Lite Maintenance, I...	1012 · Citizens Busine...		-34.89
	05/26/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	34.89
TOTAL					34.89
24223	06/06/2023	Diamond Environment...	1012 · Citizens Busine...		-100.48
	05/22/2023		5460 · Water / Trash / ...	4-General Fund Ent.	45.22
			5460 · Water / Trash / ...	1-Groundwater Ent.	35.16
			5460 · Water / Trash / ...	3-Land Resources	10.05
			5460 · Water / Trash / ...	6-Active Recharge ...	10.05
TOTAL					100.48
24224	06/06/2023	Edison - 3636	1012 · Citizens Busine...		-141.17
	05/30/2023		6016 · Redlands Plaza ...	2-Redlands Plaza/...	141.17
TOTAL					141.17
24225	06/06/2023	Edison - 6256 (Redland...	1012 · Citizens Busine...		-170.28
	05/30/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	170.28
TOTAL					170.28
24226	06/06/2023	Edison - 9779	1012 · Citizens Busine...		-278.55
	05/30/2023		5420 · Electricity	4-General Fund Ent.	77.99
			5420 · Electricity	1-Groundwater Ent.	55.71
			5420 · Electricity	2-Redlands Plaza/...	116.99
			5420 · Electricity	6-Active Recharge ...	27.86
TOTAL					278.55
24227	06/06/2023	Empire Disposal	1012 · Citizens Busine...		-173.39
	05/31/2023		5460 · Water / Trash / ...	4-General Fund Ent.	78.03
			5460 · Water / Trash / ...	1-Groundwater Ent.	60.68
			5460 · Water / Trash / ...	3-Land Resources	17.34
			5460 · Water / Trash / ...	6-Active Recharge ...	17.34
TOTAL					173.39

San Bernardino Valley Water Conservation District

Expenditure Report

June 2023

Num	Date	Name	Account	Class	Original Amount
24228	06/06/2023	Frontier-4860	1012 · Citizens Busine...		-477.26
	05/28/2023		5440 · Telephone	4-General Fund Ent.	137.57
			5440 · Telephone	1-Groundwater Ent.	57.33
			5440 · Telephone	6-Active Recharge ...	34.40
			5470 · Internet Services	4-General Fund Ent.	111.58
			5470 · Internet Services	1-Groundwater Ent.	61.99
			5470 · Internet Services	2-Redlands Plaza/...	12.40
			5470 · Internet Services	3-Land Resources	37.19
			5470 · Internet Services	6-Active Recharge ...	24.80
TOTAL					477.26
24229	06/06/2023	Frontier-7275	1012 · Citizens Busine...		-148.49
	05/19/2023		5440 · Telephone	4-General Fund Ent.	24.31
			5440 · Telephone	1-Groundwater Ent.	10.13
			5440 · Telephone	6-Active Recharge ...	6.08
			5470 · Internet Services	4-General Fund Ent.	48.58
			5470 · Internet Services	1-Groundwater Ent.	26.99
			5470 · Internet Services	2-Redlands Plaza/...	5.40
			5470 · Internet Services	3-Land Resources	16.20
			5470 · Internet Services	6-Active Recharge ...	10.80
TOTAL					148.49
24230	06/06/2023	Home Depot Credit Ser...	1012 · Citizens Busine...		-13.36
	05/28/2023		5215 · Property Mainte...	1-Groundwater Ent.	10.69
			5215 · Property Mainte...	3-Land Resources	2.67
TOTAL					13.36
24231	06/06/2023	JAN-PRO Cleaning Sys...	1012 · Citizens Busine...		-800.00
	06/01/2023		6018 · Janitorial Services	4-General Fund Ent.	800.00
TOTAL					800.00
24232	06/06/2023	Kamala Construction	1012 · Citizens Busine...		0.00
TOTAL					0.00
24233	06/06/2023	Katelyn Scholte	1012 · Citizens Busine...		-185.89
	05/31/2023		6510 · Mileage	4-General Fund Ent.	74.36
			6510 · Mileage	1-Groundwater Ent.	46.47
			6510 · Mileage	3-Land Resources	18.59
			6510 · Mileage	6-Active Recharge ...	46.47
TOTAL					185.89
24234	06/06/2023	Lowe's Companies, Inc.	1012 · Citizens Busine...		-479.22
	05/25/2023		5210 · Equipment Maint...	1-Groundwater Ent.	51.67
			5215 · Property Mainte...	1-Groundwater Ent.	339.02
			5215 · Property Mainte...	3-Land Resources	84.76
			5310 · Vehicle Mainten...	1-Groundwater Ent.	3.77
TOTAL					479.22

San Bernardino Valley Water Conservation District

07/06/23

Expenditure Report

June 2023

Num	Date	Name	Account	Class	Original Amount
24235	06/06/2023	Netsteller	1012 · Citizens Busine...		-305.00
	06/01/2023		6027 · Computer Softw...	4-General Fund Ent.	131.15
			6027 · Computer Softw...	1-Groundwater Ent.	30.50
			6027 · Computer Softw...	2-Redlands Plaza/...	45.75
			6027 · Computer Softw...	3-Land Resources	45.75
			6027 · Computer Softw...	6-Active Recharge ...	51.85
TOTAL					305.00
24236	06/06/2023	PCtronics	1012 · Citizens Busine...		-2,950.00
	06/01/2023		5160 · IT Support	4-General Fund Ent.	885.00
			5160 · IT Support	1-Groundwater Ent.	1,327.50
			5160 · IT Support	3-Land Resources	295.00
			5160 · IT Support	5-Wash Plan	147.50
			5160 · IT Support	6-Active Recharge ...	295.00
TOTAL					2,950.00
24237	06/06/2023	Pride Plumbing Services	1012 · Citizens Busine...		-1,835.00
	05/25/2023		6015 · Mentone House ...	2-Redlands Plaza/...	1,835.00
TOTAL					1,835.00
24238	06/06/2023	Q3 Consulting, Inc.	1012 · Citizens Busine...		-17,816.00
	05/29/2023		7126 · PERC Engr/Prof...	6-Active Recharge ...	17,816.00
TOTAL					17,816.00
24239	06/06/2023	Quill Corporation	1012 · Citizens Busine...		-125.04
	05/15/2023		6030 · Office Supplies	4-General Fund Ent.	77.42
			6030 · Office Supplies	1-Groundwater Ent.	4.84
			6030 · Office Supplies	2-Redlands Plaza/...	9.68
			6030 · Office Supplies	3-Land Resources	4.84
	05/15/2023		6030 · Office Supplies	4-General Fund Ent.	22.61
			6030 · Office Supplies	1-Groundwater Ent.	1.41
			6030 · Office Supplies	2-Redlands Plaza/...	2.83
			6030 · Office Supplies	3-Land Resources	1.41
TOTAL					125.04
24240	06/06/2023	Redlands Tire Pros & S...	1012 · Citizens Busine...		-198.75
	06/01/2023		5310 · Vehicle Mainten...	1-Groundwater Ent.	198.75
TOTAL					198.75

San Bernardino Valley Water Conservation District

Expenditure Report

June 2023

Num	Date	Name	Account	Class	Original Amount
24241	06/06/2023	Smart & Final	1012 · Citizens Busine...		-165.67
	05/16/2023		6004 · Meeting Expenses	4-General Fund Ent.	60.56
			6004 · Meeting Expenses	3-Land Resources	60.56
			6019 · Janitorial Supplies	4-General Fund Ent.	22.17
			6019 · Janitorial Supplies	1-Groundwater Ent.	14.78
			6030 · Office Supplies	4-General Fund Ent.	6.08
			6030 · Office Supplies	1-Groundwater Ent.	0.38
			6030 · Office Supplies	2-Redlands Plaza/...	0.76
			6030 · Office Supplies	3-Land Resources	0.38
TOTAL					165.67
24242	06/06/2023	Sonsray Machinery LLC.	1012 · Citizens Busine...		-6,326.00
	05/19/2023		5050 · Basin Cleaning	1-Groundwater Ent.	5,445.22
	05/23/2023		5210 · Equipment Maint...	1-Groundwater Ent.	858.99
	06/05/2023		5210 · Equipment Maint...	1-Groundwater Ent.	21.79
TOTAL					6,326.00
24243	06/06/2023	Thompson Reuters	1012 · Citizens Busine...		-495.00
	06/01/2023		5180 · Legal	4-General Fund Ent.	123.75
			5180 · Legal	1-Groundwater Ent.	74.25
			5180 · Legal	3-Land Resources	99.00
			5180 · Legal	6-Active Recharge ...	198.00
TOTAL					495.00
24244	06/06/2023	Visual Edge IT, Inc.	1012 · Citizens Busine...		-252.48
	05/22/2023		6033 · Office Equipmen...	4-General Fund Ent.	189.36
			6033 · Office Equipmen...	1-Groundwater Ent.	12.62
			6033 · Office Equipmen...	2-Redlands Plaza/...	37.88
			6033 · Office Equipmen...	3-Land Resources	12.62
TOTAL					252.48
24245	06/08/2023	Fernando Hernandez	1012 · Citizens Busine...		-67.90
			6230 · Regular Salaries	4-General Fund Ent.	67.90
TOTAL					67.90
24246	06/08/2023	Kamala Construction	1012 · Citizens Busine...		-4,950.00
	05/17/2023		1704 · CIP-Redlands Pl...	2-Redlands Plaza/...	14,500.00
TOTAL					14,500.00
24247	06/15/2023	Kamala Construction	1012 · Citizens Busine...		-4,950.00
	05/17/2023		1704 · CIP-Redlands Pl...	2-Redlands Plaza/...	14,500.00
TOTAL					14,500.00
24248	06/21/2023	San Bernardino Valley ...	1012 · Citizens Busine...		-52,600.82
			5126 · GW Sustainabilit...	1-Groundwater Ent.	52,600.82
TOTAL					52,600.82

San Bernardino Valley Water Conservation District

Expenditure Report

June 2023

Num	Date	Name	Account	Class	Original Amount
24249	06/20/2023	Kamala Construction	1012 · Citizens Busine...		-3,600.00
	05/17/2023		1704 · CIP-Redlands Pl...	2-Redlands Plaza/...	14,500.00
TOTAL					14,500.00
24250	06/22/2023	AECOM Technical Serv...	1012 · Citizens Busine...		-4,256.20
	06/15/2023		5122 · Wash Plan Profe...	5-Wash Plan	4,256.20
TOTAL					4,256.20
24251	06/22/2023	Brownstein Hyatt Farb...	1012 · Citizens Busine...		-15,375.00
	06/12/2023		5120 · Misc. Profession...	3-Land Resources	15,375.00
TOTAL					15,375.00
24252	06/22/2023	Citizens Business Bank	1012 · Citizens Busine...		-11,559.19
	06/12/2023		1704 · CIP-Redlands Pl...	2-Redlands Plaza/...	4,500.00
			5210 · Equipment Maint...	1-Groundwater Ent.	590.82
			5310 · Vehicle Mainten...	1-Groundwater Ent.	3,426.21
			6001 · General Adminis...	4-General Fund Ent.	161.37
			6001 · General Adminis...	1-Groundwater Ent.	161.37
			6002 · Website Adminis...	4-General Fund Ent.	365.00
			6004 · Meeting Expenses	4-General Fund Ent.	90.89
			6004 · Meeting Expenses	3-Land Resources	90.89
			6027 · Computer Softw...	4-General Fund Ent.	120.38
			6027 · Computer Softw...	1-Groundwater Ent.	28.00
			6027 · Computer Softw...	2-Redlands Plaza/...	42.00
			6027 · Computer Softw...	3-Land Resources	42.00
			6027 · Computer Softw...	6-Active Recharge ...	47.60
			6030 · Office Supplies	4-General Fund Ent.	249.53
			6030 · Office Supplies	1-Groundwater Ent.	15.60
			6030 · Office Supplies	2-Redlands Plaza/...	31.19
			6030 · Office Supplies	3-Land Resources	15.60
			6093 · Memberships	4-General Fund Ent.	100.00
			6435 · Conf/Seminar R...	4-General Fund Ent.	625.00
			6425 · Meals	4-General Fund Ent.	15.74
			6535 · Conf/Seminar R...	4-General Fund Ent.	378.00
			6535 · Conf/Seminar R...	1-Groundwater Ent.	294.00
			6535 · Conf/Seminar R...	3-Land Resources	168.00
TOTAL					11,559.19
24253	06/22/2023	City of Redlands -Muni...	1012 · Citizens Busine...		-2,160.31
	06/08/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	2,160.31
TOTAL					2,160.31
24254	06/22/2023	Compass Consulting E...	1012 · Citizens Busine...		-648.00
	06/09/2023		7150 · Mill Creek Divers...	1-Groundwater Ent.	648.00
TOTAL					648.00

San Bernardino Valley Water Conservation District
Expenditure Report
June 2023

07/06/23

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
24255	06/22/2023	Cut N Dry Restoration	1012 · Citizens Busine...		-16,499.58
	05/17/2023		6016 · Redlands Plaza ...	2-Redlands Plaza/...	16,499.58
TOTAL					16,499.58
24256	06/22/2023	DUDEK	1012 · Citizens Busine...		-51,551.38
	06/06/2023		5123 · Habitat Manage...	5-Wash Plan	51,551.38
TOTAL					51,551.38
24257	06/22/2023	Edison - 6493	1012 · Citizens Busine...		-69.10
	06/08/2023		5420 · Electricity	4-General Fund Ent.	19.35
			5420 · Electricity	1-Groundwater Ent.	13.82
			5420 · Electricity	2-Redlands Plaza/...	29.02
			5420 · Electricity	6-Active Recharge ...	6.91
TOTAL					69.10
24258	06/22/2023	Edison - 8958	1012 · Citizens Busine...		-334.20
	06/06/2023		5420 · Electricity	4-General Fund Ent.	93.58
			5420 · Electricity	1-Groundwater Ent.	66.84
			5420 · Electricity	2-Redlands Plaza/...	140.36
			5420 · Electricity	6-Active Recharge ...	33.42
TOTAL					334.20
24259	06/22/2023	IERCD	1012 · Citizens Busine...		-8,585.50
	03/20/2023		5123 · Habitat Manage...	5-Wash Plan	8,585.50
TOTAL					8,585.50
24260	06/22/2023	Mikael Romich	1012 · Citizens Busine...		-3,816.67
	06/07/2023		7151 · Mill Creek Permi...	1-Groundwater Ent.	1,908.34
			5123 · Habitat Manage...	5-Wash Plan	1,908.33
TOTAL					3,816.67
24261	06/22/2023	Quill Corporation	1012 · Citizens Busine...		-88.02
	06/06/2023		6030 · Office Supplies	4-General Fund Ent.	70.42
			6030 · Office Supplies	1-Groundwater Ent.	4.40
			6030 · Office Supplies	2-Redlands Plaza/...	8.80
			6030 · Office Supplies	3-Land Resources	4.40
TOTAL					88.02
24262	06/22/2023	Redlands Chamber of ...	1012 · Citizens Busine...		-50.00
	06/14/2023		6425 · Meals	4-General Fund Ent.	50.00
TOTAL					50.00

San Bernardino Valley Water Conservation District
Expenditure Report
June 2023

07/06/23

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Class</u>	<u>Original Amount</u>
24263	06/22/2023	Redlands Community ...	1012 · Citizens Busine...		-44.95
	06/01/2023		6090 · Subscriptions/Pu...	4-General Fund Ent.	44.95
TOTAL					44.95
24264	06/22/2023	Sonsray Machinery LLC.	1012 · Citizens Busine...		-3,040.01
	06/07/2023		5050 · Basin Cleaning	1-Groundwater Ent.	129.30
	06/13/2023		5050 · Basin Cleaning	1-Groundwater Ent.	2,910.71
TOTAL					3,040.01
24265	06/22/2023	Strategy Driver Inc	1012 · Citizens Busine...		-6,437.50
	06/10/2023		6060 · Outreach	4-General Fund Ent.	1,931.25
			6060 · Outreach	1-Groundwater Ent.	1,287.50
			6060 · Outreach	3-Land Resources	1,931.25
			6060 · Outreach	5-Wash Plan	450.63
			6060 · Outreach	6-Active Recharge ...	836.87
TOTAL					6,437.50
24266	06/22/2023	Terminix	1012 · Citizens Busine...		-96.00
	06/12/2023		6026 · Redlands Plaza ...	2-Redlands Plaza/...	96.00
TOTAL					96.00
24267	06/22/2023	The Gas Company	1012 · Citizens Busine...		-1.60
	06/14/2023		5450 · Natural Gas	4-General Fund Ent.	0.80
			5450 · Natural Gas	1-Groundwater Ent.	0.48
			5450 · Natural Gas	6-Active Recharge ...	0.32
TOTAL					1.60
24268	06/22/2023	WEX Bank-Shell	1012 · Citizens Busine...		-494.04
	06/06/2023		5320 · Fuel	1-Groundwater Ent.	494.04
TOTAL					494.04
24269	06/22/2023	Xerox Financial Services	1012 · Citizens Busine...		-337.44
	06/02/2023		6033 · Office Equipmen...	4-General Fund Ent.	253.08
			6033 · Office Equipmen...	1-Groundwater Ent.	16.87
			6033 · Office Equipmen...	2-Redlands Plaza/...	50.62
			6033 · Office Equipmen...	3-Land Resources	16.87
TOTAL					337.44
24270	06/22/2023	Yellow Web Monkey W...	1012 · Citizens Busine...		-1,875.00
	06/15/2023		6002 · Website Adminis...	4-General Fund Ent.	1,875.00
TOTAL					1,875.00

San Bernardino Valley Water Conservation District Expenditure Report June 2023

Num	Date	Name	Account	Class	Original Amount
100333N	06/12/2023	PERS	1012 · Citizens Busine...		-9,165.99
			6170 · PERS Retirement	4-General Fund Ent.	1,191.58
			6170 · PERS Retirement	1-Groundwater Ent.	4,124.70
			6170 · PERS Retirement	2-Redlands Plaza/...	366.64
			6170 · PERS Retirement	3-Land Resources	916.60
			6170 · PERS Retirement	5-Wash Plan	641.62
			6170 · PERS Retirement	6-Active Recharge ...	1,924.85
TOTAL					9,165.99
100334N	06/27/2023	PERS	1012 · Citizens Busine...		-9,513.55
			6170 · PERS Retirement	4-General Fund Ent.	1,236.75
			6170 · PERS Retirement	1-Groundwater Ent.	4,281.10
			6170 · PERS Retirement	2-Redlands Plaza/...	380.54
			6170 · PERS Retirement	3-Land Resources	951.36
			6170 · PERS Retirement	5-Wash Plan	665.95
			6170 · PERS Retirement	6-Active Recharge ...	1,997.85
TOTAL					9,513.55

San Bernardino Valley Water Conservation District
Director Fees Expenditure Payroll Report
 June 2023

Pay Date	Name	For Period	Director Fees	Taxes Withheld	Check Amt
6/14/2023	Corneille, R	Apr, May 2023	\$ 774.00	66.18	\$ 707.82
6/14/2023	McDonald, M	May, Jun 2023	\$ 2,064.00	\$ 176.48	\$ 1,887.52
6/14/2023	Raley, D	May-23	\$ 774.00	\$ 774.00	\$ -
6/14/2023	Stewart, R	Nov 22, Mar-May 23	\$ 4,854.00	\$ 1,254.81	\$ 3,599.19
6/28/2023	McDonald, M	Jun-23	\$ 1,290.00	\$ 110.29	\$ 1,179.71



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Memorandum No. 1947

To: Board of Directors

From: Angie Quiroga, Senior Administrative Analyst
Betsy Miller, General Manager

Date: July 12, 2023

Subject: Unaudited Financial Reports for June 2023

RECOMMENDATION

Review and approve the unaudited financial reports for June 2023.

BACKGROUND

Staff presents a monthly unaudited financial report for the District at each Board meeting. The reports presented here cover the period ending June 30, 2023.

DISCUSSION

GL 4017 PERC Capital Income is anticipated to come in slightly below budget as significant interest income has offset total PERC expenses. GL 4032 Cemex-Royalty/Lease mining revenue will end FY23 over budget with two remaining payments due. With the leasing of Suite K in June 2023, GL 4065 Redlands Plaza and GL 4066 Redlands Plaza CAM will be closer to budgeted amounts. GL 4080 Exchange Plan is now sharing costs with Exchange Plan participants and invoices have gone out for a total of \$36,000, replacing the amount previously billed only to Valley District. GL 4999 Trust Reimbursement is estimated at \$350,700.69 for Wash Plan implementation costs until final investment statements are received. GL 6016 Redlands Plaza Maintenance is currently over budget but will be offset with payment from ACWA/JPIA. GL 6060 Outreach increased with payments to Strategy Driver for strategic planning services and additional invoices are expected from ThunderWheel Communications. GL 5122 Wash Plan Professional Services will be adjusted after reimbursement payments are made from Wash Plan participants requiring state and waters permitting for their projects. GL 5320 Fuel remains above budget due to increased fuel costs and fuel needs for rented equipment to perform maintenance during high precipitation years.

Additional accruals will be made and shown in the Audited Financials presented as part of the Audit. The financials are attached for Board review and approval.

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

FISCAL IMPACT

Aside from staff time, there are no fiscal impacts from reporting the financial status of the District.

POTENTIAL MOTIONS

1. Move approval of the Unaudited Financials for June 2023 as presented.
2. Move to request this item be tabled and referred to the Finance & Administration Committee to reconsider specific issues discussed.

ATTACHMENTS OR MATERIALS

Graph Financials for June 2023

Profit & Loss to Date vs. Annual Budget

SBVWCD - All Enterprises Budget and Actual

June 2023

REVENUE

	Jul '22-June '23	Budget
Total 4010 · Interest Income	\$ 1,246,539	\$ 216,357
4022 · Groundwater Charge	\$ 655,934	\$ 712,631
4026 · GW Sustainability/Replenishment	\$ 731,640	\$ 731,640
4024 · Groundwater Council Revenue	\$ 39,156	\$ 44,089
4025 · Wash Plan Revenue*	\$ 458,172	\$ 439,469
Total 4030 · Mining Income	\$ 946,961	\$ 883,000
4040 · Miscellaneous Income	\$ 11,792	\$ 77,000
4050 · Property Tax	\$ 211,308	\$ 137,359
4055 · SBVMWD Spreading Agreement	\$ 464,629	\$ 449,083
Total 4060 · Property Income	\$ 100	\$ 100
4065 · Redlands Plaza	\$ 176,800	\$ 211,850
4080 · Exchange Plan	\$ 36,000	\$ 30,000

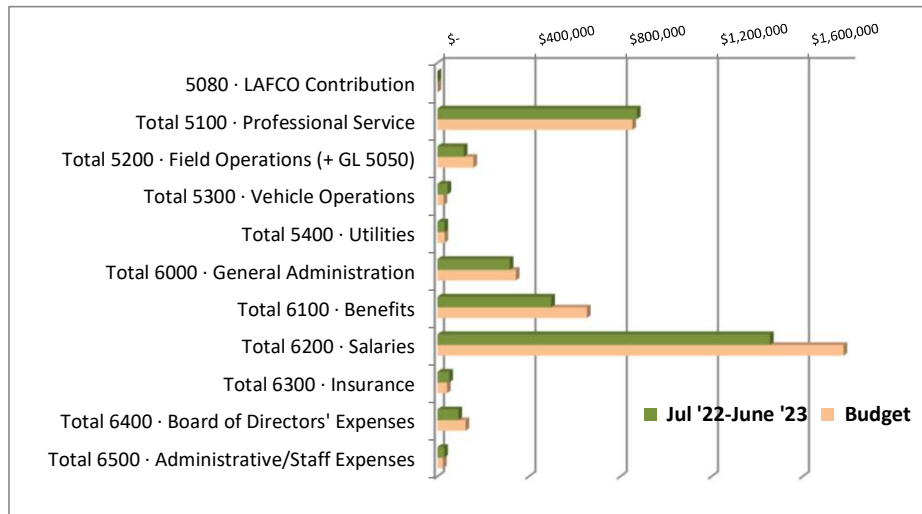
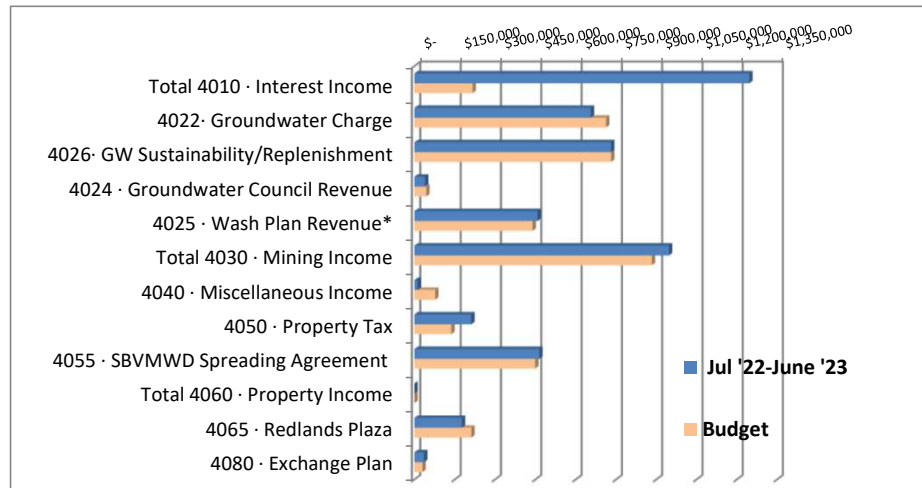
Total Revenue \$ **4,979,033** \$ **3,932,578**

*District loans to the WP & State Permitting payments

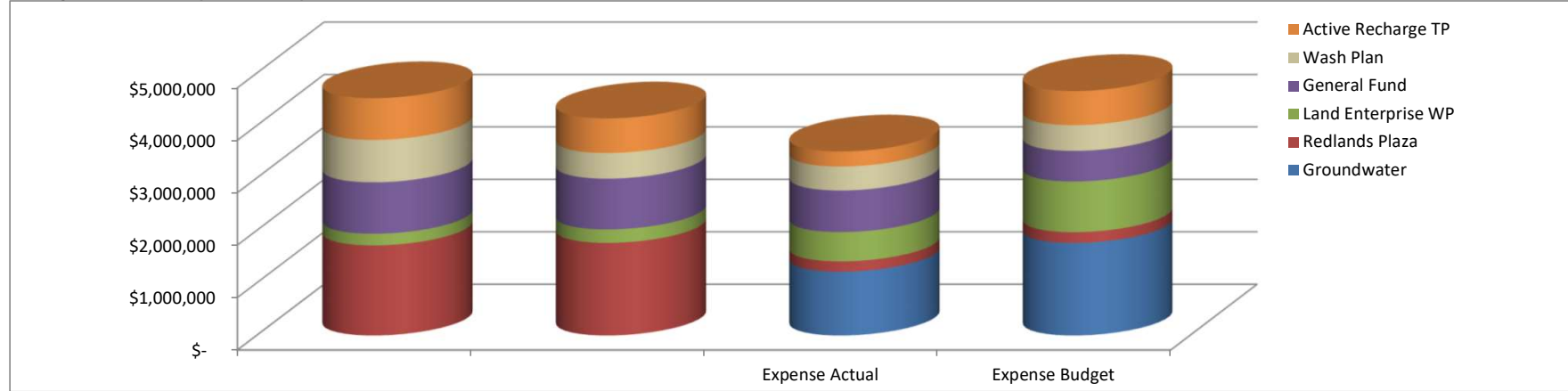
EXPENSES Operating and Capital

	Jul '22-June '23	Budget
5080 · LAFCO Contribution	\$ 57	\$ 100
Total 5100 · Professional Service	\$ 872,403	\$ 853,018
Total 5200 · Field Operations (+ GL 5050)	\$ 115,052	\$ 157,416
Total 5300 · Vehicle Operations	\$ 44,049	\$ 26,550
Total 5400 · Utilities	\$ 29,956	\$ 31,023
Total 6000 · General Administration	\$ 316,322	\$ 342,816
Total 6100 · Benefits	\$ 497,669	\$ 653,813
Total 6200 · Salaries	\$ 1,457,071	\$ 1,779,963
Total 6300 · Insurance	\$ 51,459	\$ 41,493
Total 6400 · Board of Directors' Expenses	\$ 91,401	\$ 122,625
Total 6500 · Administrative/Staff Expenses	\$ 29,407	\$ 24,000

Total Expense \$ **3,504,847** \$ **4,032,817**



Enterprises to Date (June 2023)



Enterprise	Actual	Budget	% of Budget
Groundwater Revenue	\$ 1,718,301	\$ 1,765,356	97%
Groundwater Expense	\$ 1,215,933	\$ 1,721,697	71%
Revenue -Expense	\$ 502,368	\$ 43,659	
Redlands Plaza Revenue	\$ 221,903	\$ 257,657	86%
Redlands Plaza Expense	\$ 197,082	\$ 205,109	96%
Revenue -Expense	\$ 24,822	\$ 52,548	
Land Enterprise Revenue	\$ 981,090	\$ 967,500	101%
Land Enterprise Expense	\$ 558,693	\$ 966,600	58%
Revenue -Expense	\$ 422,397	\$ 900	
General Fund Revenue *	\$ 874,296	\$ 486,654	180%
General Fund Expense	\$ 793,932	\$ 583,815	136%
Revenue -Expense	\$ 80,364	\$ (97,161)	
Wash Plan Revenue	\$ 808,873	\$ 489,469	165%
Wash Plan Expense	\$ 457,589	\$ 489,955	93%
Revenue-Expense	351,284	(486)	
Active Recharge TP Revenue	\$ 794,664	\$ 660,150	120%
Active Recharge TP Expense	\$ 286,633	\$ 650,642	44%
Revenue-Expense	\$ 508,031	\$ 9,508	
Total All Revenue - Expense	\$ 1,889,265	\$ 8,969	

Cash Status	As of 7/1/2022	As of 06/30/23
LAIF	\$ 18,879,158.26	\$ -
Cal Trust	\$ 3,200,472.16	\$ 3,305,798.37
Citizens Bank	\$ 833,594.25	\$ 814,215.58
UBS Financial Services	\$ 1,458,168.03	\$ 20,878,305.53
US Bank-CAMP	\$ 18,803,603.20	\$ 18,130,261.02
Total Cash	\$ 43,174,995.90	\$ 43,128,580.50
Less Prepaid Royalty	\$ (5,000,000.00)	\$ (5,000,000.00)
Less ARTP Obligation	\$ (36,551,309.63)	\$ (35,108,303.19)
Cash Position	\$ 1,623,686.27	\$ 3,020,277.31

Increase (decrease) of \$1,396,591.04
Percent Increase 86.0%

* General Fund Revenue shown here does not include overhead

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul '22 - Jun 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4010 · Interest Income				
4012 · LAIF	68,500.42	2,157.43	66,342.99	3,175.09%
4013 · Caltrust Investment Income	105,326.21	16,000.00	89,326.21	658.29%
4015 · UBS Interest Income	246,287.08	18,200.00	228,087.08	1,353.23%
4016 · Interest Income CAMP	826,425.77	180,000.00	646,425.77	459.13%
Total 4010 · Interest Income	1,246,539.48	216,357.43	1,030,182.05	576.15%
4017 · PERC Capital Income	576,994.47	583,500.00	-6,505.53	98.89%
4020 · Groundwater Charge				
4022 · Groundwater Charge	655,933.87	712,630.95	-56,697.08	92.04%
4024 · Groundwater Council Revenue	731,640.00	731,640.00	0.00	100.0%
4026 · GW Sustainability/Replenishment	39,156.31	44,089.25	-4,932.94	88.81%
Total 4020 · Groundwater Charge	1,426,730.18	1,488,360.20	-61,630.02	95.86%
4025 · Wash Plan Revenue	458,172.30	439,469.00	18,703.30	104.26%
4030 · Mining Income				
4031 · Plant Site - CEMEX	40,000.00	48,000.00	-8,000.00	83.33%
4032 · Cemex - Royalty / Lease	858,278.00	775,000.00	83,278.00	110.75%
4036 · Aggregate Maintenance	48,683.25	60,000.00	-11,316.75	81.14%
Total 4030 · Mining Income	946,961.25	883,000.00	63,961.25	107.24%
4040 · Miscellaneous Income				
4041 · Reimbursed Expenses	9,817.48	0.00	9,817.48	100.0%
4040 · Miscellaneous Income - Other	1,975.00	77,000.00	-75,025.00	2.57%
Total 4040 · Miscellaneous Income	11,792.48	77,000.00	-65,207.52	15.32%
4043 · Project Salary Reimbursement	24,666.58	15,000.00	9,666.58	164.44%
4050 · Property Tax	211,308.49	137,358.53	73,949.96	153.84%
4055 · SBVMWD Spreading Agreement Reim	464,628.62	449,083.42	15,545.20	103.46%
4060 · Property Income				
4062 · Mentone Property	100.00	100.00	0.00	100.0%
Total 4060 · Property Income	100.00	100.00	0.00	100.0%
4065 · Redlands Plaza	176,800.37	211,849.83	-35,049.46	83.46%
4066 · Redlands Plaza CAM	44,626.43	45,707.27	-1,080.84	97.64%
4080 · Exchange Plan	36,000.00	30,000.00	6,000.00	120.0%
4999 · Trust Reimbursement-Wash Plan	350,700.69	50,000.00	300,700.69	701.4%
Total Income	5,976,021.34	4,626,785.68	1,349,235.66	129.16%
Gross Profit	5,976,021.34	4,626,785.68	1,349,235.66	129.16%
Expense				
5040 · Regional Programs				
5080 · LAFCO Contribution	56.78	100.00	-43.22	56.78%
Total 5040 · Regional Programs	56.78	100.00	-43.22	56.78%
5050 · Basin Cleaning	29,777.83	50,000.00	-20,222.17	59.56%
5100 · Professional Service				
5120 · Misc. Professional Services	376,250.94	300,000.00	76,250.94	125.42%
5122 · Wash Plan Professional Services	43,679.84	0.00	43,679.84	100.0%
5123 · Habitat Management-WP	224,113.03	274,219.00	-50,105.97	81.73%
5125 · Engineering Services	12,285.98	50,000.00	-37,714.02	24.57%
5126 · GW Sustainability/Replenishment	52,600.82	44,089.25	8,511.57	119.31%
5127 · Project Accounting Services	0.00	5,000.00	-5,000.00	0.0%
5128 · GC NonDistrict Facilities Maint	91,134.11	0.00	91,134.11	100.0%
5130 · Aerial Photography & Surveying	11,772.50	2,310.00	9,462.50	509.63%
5155 · WP Trails Professional Services	0.00	100,000.00	-100,000.00	0.0%
5160 · IT Support	11,199.00	14,400.00	-3,201.00	77.77%
5170 · Audit	27,550.00	28,000.00	-450.00	98.39%
5175 · Legal - Wash Plan	0.00	10,000.00	-10,000.00	0.0%
5180 · Legal	21,817.18	25,000.00	-3,182.82	87.27%
Total 5100 · Professional Service	872,403.40	853,018.25	19,385.15	102.27%
5133 · Regional River HCP Contribution	0.00	25,000.00	-25,000.00	0.0%
5200 · Field Operations				
5210 · Equipment Maintenance	9,665.90	7,416.00	2,249.90	130.34%
5215 · Property Maintenance	12,837.50	40,000.00	-27,162.50	32.09%
5225 · Field Clean Up-Illegal dumping	62,770.85	60,000.00	2,770.85	104.62%
Total 5200 · Field Operations	85,274.25	107,416.00	-22,141.75	79.39%
5223 · Temp. Field Labor	5,014.62	10,000.00	-4,985.38	50.15%
5300 · Vehicle Operations				
5310 · Vehicle Maintenance	21,073.01	8,400.00	12,673.01	250.87%
5320 · Fuel	22,976.38	18,150.00	4,826.38	126.59%
Total 5300 · Vehicle Operations	44,049.39	26,550.00	17,499.39	165.91%

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul '22 - Jun 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5400 · Utilities				
5410 · Alarm Service	884.00	1,800.00	-916.00	49.11%
5420 · Electricity	9,341.97	9,832.44	-490.47	95.01%
5430 · Mobile Phone	6,850.00	5,850.00	1,000.00	117.09%
5440 · Telephone	4,153.13	6,000.00	-1,846.87	69.22%
5450 · Natural Gas	2,424.28	1,000.00	1,424.28	242.43%
5460 · Water / Trash / Sewer	3,244.28	3,790.40	-546.12	85.59%
5470 · Internet Services	3,058.24	2,750.00	308.24	111.21%
Total 5400 · Utilities	29,955.90	31,022.84	-1,066.94	96.56%
6000 · General Administration				
6001 · General Administration - Other	6,626.75	4,500.00	2,126.75	147.26%
6002 · Website Administration	8,441.91	6,000.00	2,441.91	140.7%
6004 · Meeting Expenses	1,759.49	2,200.00	-440.51	79.98%
6006 · Permits	415.00	10,000.00	-9,585.00	4.15%
6007 · Inter District Costs	1,500.00	10,000.00	-8,500.00	15.0%
6009 · Licenses	2,090.28	1,709.00	381.28	122.31%
6010 · Surety Bond	3,025.00	1,900.00	1,125.00	159.21%
6012 · Office Maintenance	11,510.63	5,101.60	6,409.03	225.63%
6013 · Office Lease Payment	50,000.04	50,000.00	0.04	100.0%
6015 · Mentone House Maintenance	1,879.75	3,850.00	-1,970.25	48.83%
6016 · Redlands Plaza Maintenance	42,913.83	35,000.00	7,913.83	122.61%
6018 · Janitorial Services	10,170.90	10,400.00	-229.10	97.8%
6019 · Janitorial Supplies	470.82	375.00	95.82	125.55%
6020 · Vacancy Marketing-Redlands Plaz	0.00	5,000.00	-5,000.00	0.0%
6026 · Redlands Plaza CAM expenses	39,274.35	41,612.65	-2,338.30	94.38%
6027 · Computer Software	15,664.44	34,314.12	-18,649.68	45.65%
6030 · Office Supplies	16,009.25	5,500.00	10,509.25	291.08%
6033 · Office Equipment Rental	7,136.73	9,500.00	-2,363.27	75.12%
6036 · Printing	5.00	2,500.00	-2,495.00	0.2%
6039 · Postage and Overnight Delivery	1,266.08	1,200.00	66.08	105.51%
6042 · Payroll Processing	3,701.48	3,002.09	699.39	123.3%
6045 · Bank Service Charges	1,180.79	750.00	430.79	157.44%
6051 · Uniforms	2,846.77	3,025.00	-178.23	94.11%
6060 · Outreach	47,250.79	60,000.00	-12,749.21	78.75%
6087 · Educational Reimbursement	339.00	5,000.00	-4,661.00	6.78%
6090 · Subscriptions/Publications	2,060.87	2,400.00	-339.13	85.87%
6091 · Public Notices	3,868.10	3,200.00	668.10	120.88%
6093 · Memberships	34,914.17	24,776.15	10,138.02	140.92%
Total 6000 · General Administration	316,322.22	342,815.61	-26,493.39	92.27%
6100 · Benefits				
6110 · Vision Insurance	3,265.08	3,776.71	-511.63	86.45%
6120 · Workers' Comp. Insurance	18,974.61	21,665.71	-2,691.10	87.58%
6130 · Dental Insurance	11,345.72	13,376.47	-2,030.75	84.82%
6150 · Medical Insurance				
6150.01 · Medical Employee Contribution	-43,704.34	-28,211.94	-15,492.40	154.91%
6150 · Medical Insurance - Other	261,777.40	299,907.66	-38,130.26	87.29%
Total 6150 · Medical Insurance	218,073.06	271,695.72	-53,622.66	80.26%
6160 · Payroll Taxes-Employer	98,931.40	123,939.97	-25,008.57	79.82%
6170 · PERS Retirement				
6170.01 · PERS Employee Contributions	-53,855.43	-53,775.96	-79.47	100.15%
6170.02 · 457 Plan Employee Contributions	-57,446.14			
6170 · PERS Retirement - Other	258,380.32	273,134.30	-14,753.98	94.6%
Total 6170 · PERS Retirement	147,078.75	219,358.34	-72,279.59	67.05%
Total 6100 · Benefits	497,668.62	653,812.92	-156,144.30	76.12%
6200 · Salaries				
6230 · Regular Salaries	1,457,070.89	1,779,962.83	-322,891.94	81.86%
Total 6200 · Salaries	1,457,070.89	1,779,962.83	-322,891.94	81.86%
6300 · Insurance				
6310 · Property/ Auto Insurance	6,071.24	5,070.18	1,001.06	119.74%
6320 · General Liability Insurance	45,387.74	36,423.19	8,964.55	124.61%
Total 6300 · Insurance	51,458.98	41,493.37	9,965.61	124.02%
6400 · Board of Directors' Expenses				
6401 · Directors' Fees				
6401.5 · Payroll Taxes-Directors	2,276.86	0.00	2,276.86	100.0%
6401 · Directors' Fees - Other	75,931.00	100,800.00	-24,869.00	75.33%
Total 6401 · Directors' Fees	78,207.86	100,800.00	-22,592.14	77.59%

San Bernardino Valley Water Conservation District
Profit & Loss To Date vs. Annual Budget

	<u>Jul '22 - Jun 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
6410 · Mileage	1,741.66	4,400.00	-2,658.34	39.58%
6415 · Air Fare	521.96	3,125.00	-2,603.04	16.7%
6420 · Other Travel	232.52	550.00	-317.48	42.28%
6425 · Meals	3,306.74	3,850.00	-543.26	85.89%
6430 · Lodging	3,181.14	4,400.00	-1,218.86	72.3%
6435 · Conf/Seminar Registrations	4,106.46	5,500.00	-1,393.54	74.66%
6440 · Election Fees / Re-Districting	103.00	0.00	103.00	100.0%
Total 6400 · Board of Directors' Expenses	91,401.34	122,625.00	-31,223.66	74.54%
6500 · Administrative/Staff Expenses				
6510 · Mileage	5,006.36	2,500.00	2,506.36	200.25%
6515 · Air Fare	1,243.92	4,500.00	-3,256.08	27.64%
6520 · Travel, Other (rental car, taxi)	212.90	1,500.00	-1,287.10	14.19%
6525 · Meals	4,901.12	3,500.00	1,401.12	140.03%
6530 · Lodging	7,725.88	5,500.00	2,225.88	140.47%
6535 · Conf/Seminar Registrations	10,317.02	6,500.00	3,817.02	158.72%
Total 6500 · Administrative/Staff Expenses	29,407.20	24,000.00	5,407.20	122.53%
9999 · Contribution to Capital Maint.	0.00	550,000.00	-550,000.00	0.0%
Total Expense	3,509,861.42	4,617,816.82	-1,107,955.40	76.01%
Net Ordinary Income	2,466,159.92	8,968.86	2,457,191.06	27,496.92%
Other Income/Expense				
Other Expense				
7000 · Construction				
7010 · Materials	0.00	12,000.00	-12,000.00	0.0%
Total 7000 · Construction	0.00	12,000.00	-12,000.00	0.0%
7100 · Land & Buildings				
7110 · Property Capital Repairs	1,428.63	529,971.00	-528,542.37	0.27%
7120 · Property-Land Purchase	31,291.91	0.00	31,291.91	100.0%
7126 · PERC Engr/Prof Services	1,031,451.58	3,212,754.00	-2,181,302.42	32.11%
7130 · Mentone Property (House)-CapRep	21,093.68	7,000.00	14,093.68	301.34%
7140 · Mentone Property (Shop)-CapRep	13,763.25	450,500.00	-436,736.75	3.06%
7150 · Mill Creek Diversion	123,098.03	1,400,000.00	-1,276,901.97	8.79%
7151 · Mill Creek Permitting	192,649.17	202,000.00	-9,350.83	95.37%
7160 · Mendoza Property	0.00	137,000.00	-137,000.00	0.0%
Total 7100 · Land & Buildings	1,414,776.25	5,939,225.00	-4,524,448.75	23.82%
7200 · Equipment & Vehicles				
7210 · Computer Hardware-Capital Purch	53,567.38	52,858.39	708.99	101.34%
7220 · Computer Software	5,831.71	10,000.00	-4,168.29	58.32%
7230 · Field Equipment / Vehicles	1,888.70	149,973.07	-148,084.37	1.26%
7240 · Office Equipment	13,028.04	1,500.00	11,528.04	868.54%
Total 7200 · Equipment & Vehicles	74,315.83	214,331.46	-140,015.63	34.67%
7400 · Professional Services Capital				
7438 · Engineering Services-Other	0.00	125,000.00	-125,000.00	0.0%
Total 7400 · Professional Services Capital	0.00	125,000.00	-125,000.00	0.0%
Total Other Expense	1,489,092.08	6,290,556.46	-4,801,464.38	23.67%
Net Other Income	-1,489,092.08	-6,290,556.46	4,801,464.38	23.67%
Net Income	977,067.84	-6,281,587.60	7,258,655.44	-15.55%



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1948

To: Board of Directors

**From: Erwin Fogerson, PERC Engineer
Katelyn Scholte, Principal Engineer**

Date: July 12, 2023

Subject: Award of Contract Services Agreement for Professional Services for Construction Management and Inspection for the Mill Creek Diversion and Debris Management Improvement Project

RECOMMENDATION

Staff recommends that the Board 1) Authorize staff to terminate negotiations with Geocon West Inc.; 2) Review and authorize staff to enter into an contract services agreement for professional services with G3 Quality, Inc. for construction inspection and materials testing services for capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$178,291; 3) Authorize staff to adjust the contract services agreement for professional services Schedule of Fees and add language to clarify the Scope of Services may be modified at the discretion of the General Manager based upon final negotiation of the contract within the authorized contract amount; and 4) Authorize a ten percent (10%) contingency and approve the General Manager to negotiate and approve any required additional work for construction support up to that amount.

BACKGROUND

The purpose of the Mill Creek Diversion and Debris Management Improvement Project (Project) is to modify the existing upper diversion inlet at the San Bernardino Valley Water Conservation District's Mill Creek Groundwater Recharge Facility to improve management of debris and creek bed sediments. The proposed enlarged gates, diversion walls and a low flow outlet are designed to push more potential stormwater-carried material back into the Mill Creek channel system, while allowing less sediment-laden water to be rerouted to the existing spreading basins for groundwater recharge. The Project will maintain water diversion during high flow events, limit impacts to diversion from debris, and limit loss of recharge and costs due to sediment accumulation.

The project has undergone an extensive permitting process that included both 404 and 408 permits from the Army Corps of Engineers (Corps), a 401/WDR permit from the Regional Water Quality Control Board, a Lake and Streambed Alteration Agreement from the California Department of Fish and Wildlife and an encroachment permit from San Bernardino County Flood Control. Copies of all issued and pending

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

permits are included in the Special Provisions, additional funds to be budgeted by the General Manager for pay adjustments as may be necessitated by field conditions or project contingencies, within defined limits.

The project was designed by CWE Engineering and underwent multiple revisions as part of the 408-permitting process. Additional structural calculations, geotechnical investigations, and environmental studies were required to satisfy Corps requirements. The Corps has approved the plan set and the required supporting documentation and issued the 408-permit for the project. San Bernardino County Flood Control District has issued the required Encroachment permit for construction of the project. California Department of Fish and Wildlife is reviewing the request to re-issue the Lake and Streambed Alteration Agreement. The Corps is in the process of finalizing the 404-permit for the project and anticipates issuance in the next few weeks.

The Board approved purchase of the new gates in April of 2022. All three gates were delivered in the spring of 2023.

On April 19, 2023, the Operations Committee reviewed the Bid Package including the Notice Inviting Bids, Special Provisions, project plans, and contract documents and recommended the Board approve the Project Plans and Bid Package.

On April 25, 2023, staff released requests for proposals for both construction survey services and construction inspection and materials testing to support project construction. Award of both professional services contracts are separate approval items. District staff will serve as the Resident Engineer for the project and direct all contract work with support from the inspector. District staff will also serve as the biological monitor for the project where possible.

Due to the anticipated length of construction and its potential interference with the winter storm season, staff released the Bid package on June 1, 2023. The recommended preconstruction meeting was held on June 13, 2023.

On June 14, 2023, the Board authorized staff to negotiate and enter into a contract with Geocon West Inc, for construction management and inspection services. Because of staffing protocols insisted upon by Geocon West, among other issues, District staff believed that project objectives may be impeded, and therefore now recommends terminating negotiations with that professional services provider, and moving to G3 Quality, Inc..

DISCUSSION

The proposed agreement is to provide field surveys staking in support of the construction project. The survey work will consist of the following elements:

Preconstruction work:

1. Review and provide comments on the Project plans and Special Provisions.
2. Conduct an unbiased quantity estimation.
3. Develop a testing plan for earthwork and concrete, outlining intervals, estimated test quantities, and access requirements.

Construction Phase work:

1. Attend the pre-construction meeting and participate in weekly progress meetings.
2. Review and provide comments on contractor submittals, including concrete mix designs.
3. Assign a dedicated primary multi-cert inspector for the project responsible for ensuring construction conformity to applicable regulations, standards, specifications, and plans. Additionally, appoint a backup inspector for circumstances like the primary inspector's absence or when dual inspectors are required for significant concrete pours, etc. The days for dual inspectors will require pre-approval from the Construction Manager.
4. Receive and track material certifications.
5. Receive and track concrete load tickets.
6. Perform soil sampling and conduct compaction testing.
7. Conduct concrete sampling.
8. Maintain comprehensive inspection records, reports, photographs, and videos, including pre-construction site conditions, load tickets, weight tickets, compliance certifications, submittals, shop drawings, material reports, daily reports, and other related documents. Inspection reports will be submitted to the construction manager within 48hrs of each days work.
9. Conduct concrete laboratory testing.
10. Provide daily reports to the Conservation District Construction Manager.
11. Track daily time and submit a weekly report detailing hours spent on the project, including documentation of prevailing wage payments.
12. Promptly notify the Conservation District Construction Manager of any areas of non-compliance.
13. Coordinate field surveys.
14. Assist in monthly quantity estimates and the completion of work eligible for progress payments.
15. Provide pre and final inspection checklists for the project.
16. Provide the final inspection report and final materials report.
17. Represent the District to all external agencies that visit the job site such as the SBCFCD inspector.

Proposals were obtained from a total of five companies with G3 Quality, Geocon West, MTGL, Soils Southwest, and TKE Engineering. Geocon West Inc. was originally deemed the most qualified due to their experience on similar projects with San Bernardino County Flood Control, however staff was unable to negotiate an agreeable final contract. Staff has begun negotiations with G3 Quality for the necessary services. The estimated contract cost is on a time and material not to exceed basis and is within the Project Charter estimated cost adopted by the Board on April 26, 2023.

Staff recommends the Board authorize the General Manager to negotiate and award one or more amendments to this agreement up to contingency amount for needed inspection and site oversight to augment current District staff, if required. The project is subject to prevailing wage, and therefore sufficient oversight is necessary to not only control the work and the adherence to the plans and permits but also to track the construction staff on-site throughout each day of construction.

FISCAL IMPACT

Approval of the recommended action would result in expenditure of up to \$178,291 from Capital GL 7151, Mill Creek Diversion Project. In total, the prior authorized expenditures (e.g. design, permits, gate purchase) and the two recommendations proposed for Board consideration today for this project are \$2,204,795. The construction contract for this project is scheduled for Board consideration at today's meeting.

POTENTIAL MOTIONS

1. Authorize the General manager to terminate negotiations with Geocon West Inc., enter into an contract services agreement for professional services with G3 Quality, Inc. for construction inspection and materials testing services for capital improvement of the Mill Creek Diversion and Debris Management Improvement Project for a not to exceed amount of \$178,291, adjust the contract services agreement for professional services Schedule of Fees and add language to clarify the Scope of Services based upon final negotiation of the contract within the authorized contract amount, and negotiate and approve any required additional work for construction support up to a ten percent (10%) contingency.
2. Refer the item back to the Operations Committee for additional consideration.
3. Provide other directions to staff.

ATTACHMENTS

G3 Quality Inc. Contract Services Agreement for Professional Services

CONTRACT SERVICES AGREEMENT FOR PROFESSIONAL SERVICES

THIS PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION INSPECTION AND MATERIALS TESTING SERVICES FOR THE MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT ("Agreement") by and between the **SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT**, a California Special District ("SBVWCD" or "District"), and G3 Quality ("Consultant"), is effective upon the date on which this Agreement is signed by both District and Consultant ("Effective Date").

NOW THEREFORE, the parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the term and conditions of this Agreement, the Consultant shall provide Construction Support Services for the Mill Creek Diversion Improvement Project (Project) consistent with the Scope of Work appended hereto as Attachment 1. Consultant warrants that all work and services will be performed in a competent, professional, and satisfactory manner.

1.2 Authorization to Begin, Schedule and Retention Tenn. Consultant's term to begin work or services, shall initiate upon receipt of a Notice to Proceed by District. Further, no work or services other than that described in the Scope of Work shall be initiated by the Consultant without written authorization of the District and documented as a Change Order to this agreement.

1.3 Compliance With Law. All work and services rendered hereunder shall be provided consistent with the professional skill and care ordinarily provided by firms practicing in the same or similar locality for the same type of work (herein the "Standard of Care") and in accordance with applicable ordinances, resolutions, statutes, rules, and regulations of the District and any Federal, State, or local governmental agency of competent jurisdiction.

1.4 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, the Consultant shall be paid an amount not to exceed a total payment of \$178,291 (One Hundred and Seventy-Eight Thousand and Two Hundred and Ninety-One Dollars) and consistent with the Manhour and Fee Schedule appended hereto as Attachment 2 and with the Rate Schedule appended hereto as Attachment 3.

2.2 Method of Payment. Provided that Consultant is not in default under the terms of this Agreement, the Consultant shall be paid monthly for each task described in the Scope of Work, under submission of an invoice, provided that prior to payment of the final invoice, all work authorized by the District shall be completed, including delivery of final work product, and supporting documentation.

2.3 Content of Invoices. Each invoice submitted by the Consultant shall reflect the amount of time; a detailed narrative description of the work performed within that time by each employee or sub-consultant for each task, and any materials or other direct costs. Invoices without this information shall not be paid.

3.0 COORDINATION OF WORK

3.1 Representative of Consultant Jordan Roper, PE is hereby designated as the principal representative of the Consultant, authorized under all applicable laws to act in its behalf with respect to the work and services specified herein and to make all decisions in connection therewith.

3.2 Contract Officer. The General Manager is hereby designated as the representative of the District, authorized to act in its behalf with respect to the work and services specified herein and make all decisions in connection therewith ("Contract Officer").

3.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part Consulting Work required of Consultant herein without the prior express written approval of the District. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of the District. Any such prohibited assignment or transfer shall be void.

3.4 Independent Consultant. Consultant shall perform all work and services required herein as an independent contractor of the District, and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of the District.

4.0 INSURANCE AND INDEMNIFICATION

4.1 Insurance. The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to District, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

4.1-01 **Workers' Compensation Insurance.** By signature hereunder, Consultant certifies that Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Consultant will

comply with such provisions before commencing the performance or the work of this Agreement.

4.1-02 Workers' Compensation and Employer's Liability Insurance. The Consultant and all sub consultants shall cover or insure under the applicable laws relating to workers compensation insurance, each of their employees involved in any way in carrying out the work contemplated under this Agreement, all in accordance with the "Worker's Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The Consultant shall provide employer's liability insurance in the amount of, at least, \$1,000,000 per accident for bodily injury and disease.

4.1-03 Liability Insurance. The Consultant shall provide and maintain at all times during the performance of this Agreement, the following commercial general liability insurance:

4.1-03.01 Coverage. Coverage shall be at least as broad as the following:

Commercial General Liability Commercial General Liability coverage (Occurrence Form CG 0001) in the amount of two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 25 03 or insurer's equivalent endorsement provided to the District) or the general aggregate limit shall be twice the required occurrence limit.

Professional Liability. Professional Liability appropriate to the Consultant's profession covering Consultant's wrongful acts, negligent actions, errors or omission in the amount of one million dollars (\$1,000,000) per claim and annual aggregate.

4.1-03.02 Required Provisions. The policies specified in Section 4.1-03.01 is to state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for nonpayment of premium) prior written notice by U.S. mail has been given to the District.

4.1-03.03 Required Format. All of the liability insurance shall be provided on policy forms satisfactory to the District. All insurance correspondence, notations, certificates, or other documents from the insurance carrier or agent/broker shall each separately reference the District project number.

4.1-03.04 Deductibles and Self-Insured Retention. Any deductible or self- insurance retention must be declared to and approved by the District. At the option of the District, the insurer shall reduce or eliminate such deductibles or self-insured retention.

4.1-03.05 Acceptability of Insurers. Insurance is to be placed with insurers having a current AM. Best's rating of no less than A-:VII or equivalent or as otherwise approved by the District.

4.1-03.06 Evidences and Cancellation of Insurance. Prior to execution of the Agreement, the Consultant shall file with the District evidence of insurance satisfactory to the

District. The insurer will give by U.S. mail written notice to the District at least thirty (30) days prior to the effective date of any cancellation, except for nonpayment of premium for which ten (10) days prior written notice will be given. The Consultant shall, upon demand of the District, deliver to the District all such policy or policies of insurance and the receipts of payment of premiums thereon.

4.1-03.07 Errors and Omissions/Professional Negligence. Consultant shall procure and maintain errors and omissions insurance, or professional liability insurance, at all times this Agreement is in effect, covering the services to be provided hereunder in the amount of one million dollars per claim and annual aggregate.

4.1-03.08 Sub-Consultants . In the event that Consultant employs other consultants as part of the services covered by this Agreement, consistent with Section 3.3 above, it shall be the Consultant's responsibility to confirm that each sub-consultant meets the minimum insurance requirements specified above.

4.2 Indemnification. To the fullest extent permitted by law, Consultant shall indemnify and hold harmless and defend the District, its directors, officers, employees, or designated volunteers, and each of them from and against:

4.2-01 Any and all third party tort claims, demands, lawsuits, or causes of action (the "Claims"), and the damages, costs, expenses, losses, or liabilities arising out of such Claims, in law or in equity, of every kind and nature whatsoever for, but not limited to, injury to or death of any person including District and/or Consultant , or any directors, officers, employees or designated volunteers of District or Consultant, and damages to or destruction of property of any person, including but not limited to, District and/or Consultant and their directors, officers, employees or designated volunteers, arising out of or in any manner directly or indirectly connected with the work to be performed under this Agreement, due to the Consultant's negligent acts, errors or omissions committed or alleged to have been committed, except in those cases where the District is liable.

4.2-02 Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind of nature whatsoever, arising out of, resulting from, or caused by the willful or negligent violation of any governmental law or regulation, compliance with which is the responsibility of Consultant, except in those cases where the District is liable.

4.2-03 Consultant shall defend, subject to the terms of 4.2 above, at its own cost, expense and risk, with Counsel of District's choice, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District or District's directors, officers, employees or designated volunteers.

4.2-04 Consultant shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officers, employees or designated volunteers, in any and all such aforesaid suits, actions or other legal proceeding.

4.2-05 Consultant shall reimburse District and its directors, officers, employees or

designated volunteers, for any and all reasonable legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

4.2-06 Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, or its directors, officers, employees or designated volunteers.

4.3 Laws Regulations and Permits. The Consultant shall exercise all professional care to give all notices required by law and exercise the Standard of Care to comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The Consultant shall be liable for all negligent or intentional violations of the law in connection with work furnished by the Consultant. If the Consultant negligently or intentionally performs any work contrary to such laws, ordinances, rules and regulations, the Consultant shall bear all costs and penalties, civil or criminal, arising therefrom.

4.4 Safety. The Consultant shall execute and maintain Consultant's work so as to avoid injury or damage to any person or property. In carrying out the work, the Consultant shall at all times, exercise all necessary precautions for the safety of its employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including State of California, Division of Industrial Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable).

5.0 TERM OF AGREEMENT

5.1 Term. This Agreement shall be effective from date of signature of both parties and shall continue in full force and effect until completion and approval of the work and services described hereunder, unless extended by mutual consent, or until otherwise terminated under Section 6.11 below. In no event, however, shall this contract extend beyond December 31, 2024, unless expressly extended by both parties in writing.

6.0 MISCELLANEOUS

6.1 Covenant Against Discrimination. The Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through it, that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement.

6.2 Non-liability of District Officers and Employees. No officer or employee of the District shall be personally liable to Consultant, or a successor in interest, in the event of any default or breach by the District or for any amount that may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

6.3 Conflict of Interest. No director, officer, agent, employee or designated

volunteer of the District shall have any financial interest, direct or indirect, in this Agreement, nor shall any such person participate in any decision relating to the Agreement which affects his or her financial interest or the financial interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give, any third party any money or other consideration for obtaining this Agreement.

6.4 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the District, to the General Manager and to the attention of the General Manager, San Bernardino Valley Water Conservation District, 1630 W. Redlands Boulevard, Suite A, Redlands, CA 92373-0581, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement.

6.5 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement.

6.6 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties and none shall be used to interpret this Agreement. This Agreement may be amended at any time only by the mutual consent of the parties and only by an instrument in writing.

6.7 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or inability to enforce shall not affect any of the remaining portions of this Agreement, which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

6.8 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

6.9 Attorney's Fees. If either party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees, whether or not the matter proceeds to judgment.

6.10 Ownership of Work. All work performed by the Consultant hereunder shall be the exclusive property of the District, and shall be kept confidential by the Consultant unless otherwise directed by the District. The Consultant shall provide to the District all notes, maps, schedules, graphs, worksheets, reports, computer databases and programs, or any other analysis or analytical tools created or produced by the Consultant in connection with its work performed hereunder ("Work"), no later than the time of the completion of the Consultant's Work or earlier termination of this Agreement under Section 6. 11 below. The Consultant shall not disclose or utilize its Work under this Contract in any other assignment or for any other purpose, or otherwise disclose or utilize such Work, without the prior written consent of the District, which consent shall not be unreasonably withheld.

6.11 Termination. This Agreement may be terminated by either party giving 30 days' notice in writing to the other party and sent by registered mail to the principal place of business that such notice is addressed. The right, duties, and responsibilities of the parties shall continue in full force during the period of this 30-day notice. After the expiration of the 30-day interval following notice, no rights or liabilities shall arise out of this relationship, regardless of expenses which may have been incurred, except that the indemnification provisions of Section 4.2 above shall survive termination, and any task undertaken by Consultant on written District authorization, and still uncompleted at the expiration of the notice period, shall be carried to completion by Consultant and paid for by District at rates provided hereunder, unless mutually agreed in writing to the contrary, in accordance with the provisions herein.

6.12 Mediation. In the event of disagreement as to termination procedures, the Consultant and District shall meet and confer to resolve the issue. If the meet and confer process fails to resolve any controversy or claim arising out of or related to work performed under this Agreement, within 10 business days after written notice by one party to the other identifying the nature of the dispute and requesting a meet and confer conference, such claim or controversy shall be submitted to non-binding mediation unless the parties mutually agree otherwise. The submission to non-binding mediation shall be upon such terms, conditions, and procedures as the parties might mutually agree, and shall not preclude the initiation or exercise of any other remedy, legal, equitable, or otherwise, available to any party. The mediation proceedings shall take place in San Bernardino County, California.

6.13 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement and by signature below:

**SAN BERNARDINO VALLEY WATER
CONSERVATION DISTRICT**

By: _____
Betsy Miller, General Manager

Date: _____

CONSULTANT

Chris Gerber, President

By: _____

Address: 13850 Cerritos Corporate Drive, Suite E
Cerritos CA, 90703
Phone: (562) 321-9840

Date: _____

Attachment 1

Scope of Services

Scope of Work

Preconstruction work:

1. Review and provide comments on the Project plans and Special Provisions.
2. Conduct an unbiased quantity estimation.
3. Develop a testing plan for earthwork and concrete, outlining intervals, estimated test quantities, and access requirements.

Construction Phase work:

1. Attend the pre-construction meeting and participate in weekly progress meetings.
2. Review and provide comments on contractor submittals, including concrete mix designs.
3. Assign a dedicated primary multi-cert inspector for the project responsible for ensuring construction conformity to applicable regulations, standards, specifications, and plans. Additionally, appoint a backup inspector for circumstances like the primary inspector's absence or when dual inspectors are required for significant concrete pours, etc. The days for dual inspectors will require pre-approval from the Construction Manager.
4. Receive and track material certifications.
5. Receive and track concrete load tickets.
6. Perform soil sampling and conduct compaction testing.
7. Conduct concrete sampling.
8. Maintain comprehensive inspection records, reports, photographs, and videos, including pre-construction site conditions, load tickets, weight tickets, compliance certifications, submittals, shop drawings, material reports, daily reports, and other related documents. Provide inspection reports to the construction manager within 48 hours of completing each day's work.
9. Conduct concrete laboratory testing.
10. Provide daily reports to the Conservation District Construction Manager.
11. Track daily time and submit a weekly report detailing hours spent on the project, including documentation of prevailing wage payments.
12. Promptly notify the Conservation District Construction Manager of any areas of non-compliance.
13. Coordinate field surveys.
14. Assist in monthly quantity estimates and the completion of work eligible for progress payments.
15. Provide pre and final inspection checklists for the project.
16. Provide the final inspection report and final materials report.
17. Represent the District to all external agencies that visit the job site such as the SBCFCD inspector.

Minimum Charges (Inspection and Technician Personnel Only - Other Personnel Charged on Portal-to-Portal Basis):

Minimum Charges (Inspection and Technician Personnel Only - Other Personnel Charged on Portal-to-Portal Basis)

2-Hour Minimum:	Inspector arrives at jobsite, no work to perform
4-Hour Minimum:	1 to 4 hours of inspection
8-Hour Minimum:	Over 4 hours of inspection

Regular Time: The first 8 hours worked Monday through Friday between 5:00 a.m. and 5:00 p.m.

Time and One-Half (All Types of Inspection): Any portion past 8 hours through 12 hours worked Monday through Friday and the first 12 hours on Saturday. Time and One – Half will be billed at a base fully loaded hourly rate multiplied by 1.35.

Double Time (All Types of Inspection): After the first 12 hours worked Monday through Saturday, all day Sunday, holidays, and the first Saturday following the first Friday in June and December. Holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day. Double Time will be billed at a fully loaded base rate multiplied by 1.8.

Attachment 2

Man-Hour And Fee Schedule

May 25, 2023
Revised July 5, 2023

Katelyn Scholte
San Bernardino Valley Water Conservation District
1630 West Redlands Boulevard, Suite A
Redlands, CA 92373

Subject: Proposal to Provide Construction Inspection and Materials Testing for the San Bernardino Valley Water Conservation District Mill Creek Diversion and Debris Management Improvement Project

Dear Ms. Scholte:

G3 Quality, Inc. (G3) appreciates the opportunity to provide professional construction inspection and materials testing services for the referenced project. G3 is a **California Certified Small Business** with over 24 years of extensive experience successfully implementing quality assurance programs throughout California. Our team of experts are leaders in materials innovation and sustainable design. G3 maintains multiple Caltrans, AMRL, and CCRL certified laboratories in California and maintains fully integrated mobile laboratories. We are signatory to the Operating Engineers Local 12 Union and continually train, support, and employ highly experienced field inspectors and technicians.

We have assembled a strong team consisting of experienced materials and soils engineers and materials testing field and laboratory technicians. Our team will be led by project manager, Hysun Lee, a leader in municipality and agency developments. Hysun has extensive material testing experience for several local agencies within Southern California.

We sincerely appreciate your invitation to propose our services to you on this important project. If you have any questions or would like further information, feel free to contact our senior project manager directly at 562.455.7309 or jroper@g3quality.com.

Best Regards,

G3 Quality, Inc.

A handwritten signature in blue ink, appearing to read 'C. Gerber'.

Chris C. Gerber
President

A handwritten signature in blue ink, appearing to read 'Jordan Roper'.

Jordan Roper, PE
Senior Project Manager

Enclosed:

Project Understanding and Scope of Services

Attachment A: Cost File

Attachment B: Scope of Work

Attachment C: Additional Services Schedule of Fees

SBE Certified Number: 1753245 | DIR Registration Number: 1000005181

PROJECT UNDERSTANDING

Based on our review of the request for proposal, the Mill Creek Diversion and Debris Management Improvement Project will replace and upgrade the existing Mill Creek water diversion facilities for the San Bernardino Valley Water Conservation District. The improvements consist of reconstruction of the concrete diversion structure and channel approach, increasing the gate structure, construction slope protection, and an access road. G3 is proposing to provide full-time daily construction inspection and material testing in accordance with the project specifications.

SCOPE OF SERVICES

G3 is proposing to provide construction inspection and material testing for all preconstruction and construction phase work stated in the scope of work (Attachment B).

QUALITY ASSURANCE MATERIAL TESTING SERVICES FEE

The estimated fee to implement and perform the construction inspection and material testing services for the subject project is included in the Cost File (Attachment A) and fee schedules (Attachment C). All services including technical consulting and laboratory testing will be billed in accordance with the approved schedule of fees. This will be billed as "time and expense" for all work.

SCOPE OF SERVICES LIMITATIONS

Services requested that are not specifically outlined in this proposal will be billed upon authorization on a time and expense basis in accordance with our Standard Schedule of Fees (Attachment C).

SECTION 1: Preconstruction Work						
PROFESSIONAL SERVICE	RELATED PROVISIONS:	DIRECT LABOR - CLASSIFICATION / TITLE	ESTIMATED QUANTITY			
			AMOUNT	UNITS	UNIT RATE	FEES
Review and Comment on Plans and Specs	Assumed at eight hour review of plans and specifications.	Project Engineer / Project Manager	4	HR.	\$ 198.00	\$ 792.00
Perform an Independent Quantity Estimate	Assumed an 8 hour review	Project Engineer / Project Manager	8	HR.	\$ 198.00	\$ 1,584.00
Provide a Testing Plan for Earthwork and Concrete	Assumed an 10 hour plan preparation and review	Project Engineer / Project Manager	10	HR.	\$ 198.00	\$ 1,980.00
Subtotal:						\$ 4,356
SECTION 2: Construction Phase Work						
PROFESSIONAL SERVICE	RELATED PROVISIONS:	DIRECT LABOR - CLASSIFICATION / TITLE	ESTIMATED QUANTITY			
			AMOUNT	UNITS	UNIT RATE	FEES
Attendance of Pre-Construction Meeting and Weekly Progress Meeting	Based on two 1 hour weekly meeting per month for 4 months.	Project Manager	8	HR.	\$ 198.00	\$ 1,584.00
Review and Comment on Contractor Submittals	Assumed 5 total Material Design Submittals for 1 hour review	Project Manager	5	HR.	\$ 198.00	\$ 990.00
Provide Materials Inspector during Construction Activities (Inspect per plans and specs, receive material COC and tickets, Coordination sampling, testing, field survey)	Based on 100 - 8 hour Inspection days.	Public Works Special Inspector	800	Hr.	\$ 140.00	\$ 112,000.00
Provide Materials Inspector during Construction Activities (Inspect per plans and specs, receive material COC and tickets, Coordination sampling, testing, field survey)	Based on 5% overtime.	Public Works Special Inspector-Over time	40	Hr.	\$ 189.00	\$ 7,560.00
Provide Materials Technician (Soils and Concrete) during Construction Activities	Based on 8 hour field sampling and testing days (assumed not more than 10 days). Overtime conditions apply.	Materials Tester	80	Hr.	\$ 136.00	\$ 10,880.00
Daily Project Management (Daily Report Review and Submittal, assist monthly quality estimates, provide inspection checklists, material COC and ticket submittal, Document and records tracking)	Based on 0.5 Hour per day inspection or testing is performed	Project Manager	55	HR.	\$ 198.00	\$ 10,890.00
Laboratory Allowance for Required Materials Acceptance Testing	Based on Greenbook, USACE and SBCFCD Testing Frequencies. Billed on a per test basis.	See Attachment A - Cost File	1	EA.	\$ 13,626.00	\$ 13,626.00
Final Inspection Report	Based on 10 hour report preparation and review	Project Manager	10	HR.	\$ 198.00	\$ 1,980.00
Subtotal:						\$ 159,510

SECTION 3: OTHER DIRECT COSTS						
PROFESSIONAL SERVICE	RELATED PROVISIONS:	OTHER DIRECT COST	ESTIMATED QUANTITY			
			AMOUNT	UNITS	UNIT RATE	FEES
Nuclear Density Gauge	Per Technician during field compaction activities	Expense Item Billed per Unit	120	HR.	\$ 9.00	\$ 1,080.00
Air Meter	Per Technician during concrete pours	Expense Item Billed per Unit	15	Day	\$ 39.00	\$ 585.00
Field Vehicles	Per Field Inspector or Technician	Vehicle Per Day	110	EA.	\$ 116.00	\$ 12,760.00
Subtotal:						\$ 14,425
QUALITY ASSURANCE MATERIALS TESTING BUDGET						\$ 178,291

ATTACHMENT A. COST FILE
San Bernardino Valley Water Conservation District
Mill Creek Diversion and Debris Management Improvement Project

DATE: 7/5/2023
BID #: 3218

Laboratory Test	LAB TESTING		Cost
	Unit	Unit Cost	
Soils/Aggregate Base			
Sieve Analysis(ASTM C136/CTM 202)	5	\$248	\$1,240
Crushed Particles (ASTM D5821/CTM 205)	1	\$254	\$254
Maximum Density (ASTM 1557/CTM 216)	10	\$304	\$3,040
Sand Equivalent (ASTM D2419/ CTM 217)	3	\$168	\$504
Abrasion: Los Angeles Rattler, Large-Size Coarse Agg. (ASTM C535/CT 211)	2	\$367	\$734
Specific Gravity and Absorption: Coarse Agg. (ASTM C127/CTM 206)	2	\$141	\$282
Durability Index (ASTM D3744/CTM 229)	2	\$321	\$642
Concrete			
Compressive Strength of Cylinders (ASTM C39/CTM521)	90	\$45	\$4,050
Concrete Specimen Pickup (per cylinder on weekdays)	90	\$32	\$2,880
Total			\$13,626

Attachment 3

Standard Fee Schedule

STANDARD SCHEDULE OF FEES – LOCAL 12

Professional Staff Rates	
Per Hour Unless Otherwise Noted	
Engineering and Consulting	
Classification	Rate
Principal / Project Director	\$227.00
Registered Engineer	\$216.00
Quality Program Manager	\$214.00
Project Technical Advisor	\$211.00
Project Manager	\$198.00
Staff Engineer	\$174.00
Laboratory Manager	\$121.00
Laboratory Technician	\$102.00
Administrative	\$57.00
Field Inspection and Technician Services	
Classification	Rate
Quality Control Manager	\$166.00
Public Works Inspector	\$136.00
ICC Soils Inspector/Grading Inspector/LA Deputy	\$140.00
ICC Structural Concrete/Masonry Inspector	\$140.00
Roadway Inspector	\$140.00
Structures Inspector	\$136.00
HMA / Concrete Batch Plant Inspector	\$136.00
Source Materials Fabrication Inspector	\$140.00
Quality Assurance / Quality Control Technician	\$136.00
AWS Certified Welding Inspector	\$140.00
NDE Inspection (ASNT, NDT, UT/MT/PT)	\$163.00
Coating Inspection (NACE II)	\$160.00
Office Administrative Fees	
Classification	Rate
Monthly Certified Payroll Report	\$150
Final Geotechnical or Design Report Replicate Copy	\$275
Overnight Mail (cost plus 15%)	15%

Equipment Usage Per <u>Day</u> Unless Otherwise Noted	
Equipment/Vehicle	
Classification	Rate
Air Meter	\$39.00
Drilling/Sampling Equipment	By quote
Nuclear Gauge (per hour)	\$9.00
Concrete/Asphalt Coring Equipment	\$583.00
Ground penetrating radar	\$299.00
Magnetic Imaging Technology Scanner (MIT dowel bar Scanner) (per hour)	\$210.00
Pavement Inertial Profiling truck (per hour)	\$236.00
Field Truck	\$116.00
Caltrans Rapid Strength Concrete Testing Mobile Laboratory	\$473.00
Onsite Project Mobile Laboratory	By quote
Travel and Miscellaneous	
Remote Project Subsistence	By quote
Travel Time (billed Portal to Portal at hourly billing rate of the individual)	By quote
Overtime and Saturday Rate	1.5x Hourly Rate
Double-time, Sunday and Holiday Rate	2.0x Hourly Rate
Less than 12 Hour Notice Scheduling Surcharge	Standard Rate plus 50%

Laboratory Sample Handling Per Hour Unless Otherwise Noted	
Sample Pick-Up	
Classification	Rate
Sample Pick-Up Trip (within 100 miles of closest G3 Laboratory Flat Rate)	\$190.00
Saturday or Sunday Sample Pick-Up Trip (within 100 miles of closest G3 Laboratory Flat Rate)	\$310.00
Rush Charges for Laboratory Services Note: Available for Certain Tests at the Following Premiums Above List Price	
Classification	Rate
Same Day Service (dependent on availability)	100%
1 Day Turnaround	80%
2 Day Turnaround	60%
3 Day Turnaround	40%
4 Day Turnaround	25%

Laboratory Testing Services			
Concrete Tests (Field Made Specimens)			
Test	Test Method	Invoice Code	Rate
Coefficient of Thermal Expansion	AASHTO T-336	5000	\$735.00
Core Compression (including trimming)	ASTM C42/C39	5001	\$100.00
Cylinder: Compression Strength - 6" x 12" or 4" x 8"	ASTM C39, CTM 521, AASHTO T22	5002	\$45.00
Cylinder: Tested out of Sequence - 6" x 12" or 4" x 8"	ASTM C39, CTM 521, AASHTO T22	5003	\$51.00
Density, Absorption, and Voids in Hardened Concrete	ASTM C642	5004	\$407.00
Flexural Beams Not Exceeding Ref. Size of 6"x6"x18"	ASTM C78, CTM 523, AASHTO T97, ASTM C1609	5005	\$87.00
Modulus of Elasticity Test	ASTM C469	5006	\$237.00
Splitting Tensile Strength: Cylinders	ASTM C496	5007	\$116.00
Measuring Thickness of Concrete Elements Using Drilled Cores (Per Core)	ASTM C174 / CTM 531	5011	\$52.00
Unit Weight Including Lightweight Concrete	ASTM C567	5008	\$84.00
Drying Shrinkage (28 Days), 5 Readings up to 28 Dry Days	AASHTO T160 / ASTM C157 Modified	5009	\$636.00
<ul style="list-style-type: none"> Additional Reading, Per Set of Three Bars 	AASHTO T160 / ASTM C157 Modified	5009.1	\$63.00
<ul style="list-style-type: none"> Storage over Ninety (90) Days, Per Set of Three Bars, Per Month 	AASHTO T160 / ASTM C157 Modified	5009.2	\$37.00
Concrete Specimen Preparation			
Test	Test Method	Invoice Code	Rate
Coring of Test Panels in Lab (Each)		5100	\$67.00
Diamond Sawing of Cores or Cylinders (Each)		5101	\$45.00
Concrete Mix Design and Laboratory Trial Batch			
Test	Test Method	Invoice Code	Rate
Concrete Laboratory Trial Batch	ASTM C192	5200	By Quote
Concrete Laboratory Mix Study	ASTM C192	5201	By Quote
Lab Drying Shrinkage (28 days Wet/28 Day Dry), 5 Readings	ASTM C157	5202	\$656.00
Lab Drying Shrinkage (Up to 28 days), 5 Readings	AASHTO T160 / ASTM C157 Modified	5203	\$607.00
<ul style="list-style-type: none"> Additional Reading, Per Set of Three Bars 	AASHTO T160 / ASTM C157 Modified	5203.1	\$63.00
<ul style="list-style-type: none"> Storage over Ninety (90) Days, Per Set of Three Bars, Per Month 	AASHTO T160 / ASTM C157 Modified	5203.2	\$37.00
Time of Set (Up to 8 hours)	ASTM C403	5204	\$200.00
Laboratory Concrete Mix Study	ASTM C192	5205	By Quote
Masonry, Prisms, Mortar, and Grout			
Test	Test Method	Invoice Code	Rate
Absorption of Masonry Block (set of 3)	ASTM C140	5300	\$121.00
Compressive Strength of Composite Prism, 8"x8"x16"	ASTM C1314	5301	\$165.00
Compressive Strength of Composite Prism, 8"x12"x16"	ASTM C1314	5302	\$259.00
Compression Strength of Masonry Block (set of 3)	ASTM C140	5303	\$266.00
Compressive Strength of Masonry Cores, 6"	ASTM C39	5304	\$87.00
Grout Compressive Strength, 2"x2"x2" Cube	ASTM C109	5305	\$55.00

Laboratory Testing Services			
Grout Compressive Strength, 3"x3"x6" Prism	UBC STD 21-18, ASTM C1019	5306	\$72.00
Linear Shrinkage of Masonry Block (set of 3)	ASTM C426	5307	\$318.00
Mortar Compressive Strength 2"x4", 3"x6" Cylinder	UBC STD 21-16, ASTM C780	5309	\$121.00
Mortar Compressive Strength 2"x2"x2" Cube	UBC STD 21-16, ASTM C780	5310	\$55.00
Shear Test of Masonry Cores, 6"	DSA	5311	\$121.00
Unit Weight of Masonry Block (set of 3)	ASTM C140	5313	\$121.00
Web and Face Shell Measurements	ASTM C140	5314	\$75.00
Soils and Aggregate Tests			
Test	Test Method	Invoice Code	Rate
Abrasion: Los Angeles Rattler	ASTM C131, CTM 211, AASHTO T96	2000	\$332.00
Abrasion: Los Angeles Rattler, Large-Size Coarse Agg.	ASTM C535, CT 211	2001	\$367.00
Atterberg Limits/Plasticity Index	ASTM D4318, CTM 204, AASHTO T90	2002	\$298.00
California Bearing Ratio Excluding Maximum Density (Multi-Point)	ASTM D1883, AASHTO T193	2003	\$522.00
California Bearing Ratio Excluding Maximum Density (One Point)	ASTM D1883, AASHTO T193	2003.1	\$250.00
California Bearing Ratio Excluding Maximum Density (Cement or Lime Treated)	ASTM D1883, AASHTO T193	2003.2	\$650.00
Chloride and Sulfate Content	CTM 417, CTM 422	2004	\$193.00
Clay Lumps and Friable Particles	ASTM C142	2005	\$286.00
Cleanness Value: 1" x #4	CTM 227	2006	\$261.00
Cleanness Value: 2.5" x 1.5" or 1.5" x .75"	CTM 227	2007	\$523.00
Corrosivity Series: Sulfate, Cl, pH, Resistivity	CTM 643, 417, 422	2008	\$382.00
Crushed/Fractured Particles	ASTM D5821, CTM 205, T335	2009	\$254.00
Durability Index: Per Method – A, B, C, or D	ASTM D3744, CTM 229, AASHTO T210	2010	\$321.00
Expansion Index	ASTM D4829	2011	\$239.00
Flat Particle and Elongated Particle	ASTM D4791, CTM 235	2012	\$260.00
Flat or Elongated Particle	ASTM D4791, CTM 235	2013	\$267.00
Full Depth Reclamation (FDR) Mix Design	Project Specified	2014	By quote
Material Finer than #200 Sieve by Washing	ASTM D1140, CTM 202, AASHTO T11	2015	\$122.00
Moisture and Density: Ring Sample	ASTM D2937	2016	\$63.00
Moisture and Density: Shelby Tube Sample	ASTM D2937	2017	\$90.00
Organic Impurities	ASTM C40, CTM 213, AASHTO T21	2018	\$128.00
Permeability of Granular Soil	ASTM D2434, CTM 220, AASHTO T215	2019	By quote
R-Value: Soil	ASTM D2844, CTM 301, AASHTO T190	2020	\$353.00
R-Value: Aggregate Base	ASTM D2844, CTM 301, AASHTO T190	2021	\$491.00
Relative Compaction of Soils (California Method)	CTM 216	2022	\$267.00
Sand Equivalent	ASTM D2419, CTM 217, AASHTO T176	2023	\$168.00
Sieve w/ Hydrometer: 3/4" Gravel to Clay	ASTM D422, CTM 203, AASHTO T88	2024	\$300.00
Sieve w/ Hydrometer: Sand to Clay	ASTM D422, CTM 203, AASHTO T88	2025	\$300.00
Sieve Analysis with Wash	ASTM C136, CTM 202, AASHTO T27	2026	\$168.00
Sieve Analysis w/out Wash	ASTM C136, CTM 202, AASHTO T27	2027	\$142.00
Split Sieve Analysis (coarse/fine aggregates)	ASTM C136, CTM 202, AASHTO T27	2028	\$248.00
Sieve Analysis w/o Wash: W/ Cobbles	ASTM C136, CTM 202, AASHTO T27	2029	\$273.00
Soil Cement Treated Mix Design	Project Specified	2030	By quote
Soil Max. Density & Optimum Moisture: Standard Effort	ASTM D698, AASHTO T99	2031	\$284.00

Laboratory Testing Services

Soil Max. Density & Optimum Moisture: With Rock Correction	ASTM D698, D1557, D4718, AASHTO T99, T180	2032	\$374.00
Soil Max. Density & Optimum Moisture Density: Check Point	ASTM D698, D1557, AASHTO T99, T180	2033	\$122.00
Max. Density & Optimum Moisture: Modified Effort	D1557, AASHTO T99, T180	2034	\$304.00
Soils and Aggregates: Moisture Content	ASTM D566, CTM 226, AASHTO T255	2035	\$40.00
Soundness: Sodium or Magnesium Sulfate, 5 Cycles, Per Sieve Size	ASTM C88, CTM 214, AASHTO T104	2036	\$174.00
Specific Gravity and Absorption: Coarse Aggregate	ASTM C127, CTM 206, AASHTO T85	2037	\$141.00
Specific Gravity and Absorption: Fine Aggregate	ASTM C128, CTM 207, AASHTO T84	2038	\$220.00
Specific Gravity of Soils	ASTM D854, CTM 209, AASHTO T100	2039	\$138.00
Standard Specification for Concrete Aggregates (C33)	ASTM C33	2040	By quote
Uncompacted Void Content - Fine Aggregate	ASTM C1252, CTM 234, AASHTO T304	2041	\$201.00
Unconfined Compression of Soils	ASTM D2166, CTM 221, AASHTO T208	2042	\$298.00
Unit Weight of Aggregates	ASTM C29, CTM 212, AASHTO T19	2043	\$130.00
Voids in Aggregate	ASTM C29, CTM 212, AASHTO T19	2044	\$130.00
Lightweight Particles	ASTM C123, AASHTO T113	2045	\$110.00
Hot Mix Asphalt (HMA), Warm Mix Asphalt (WMA), Tests			
Test	Test Method	Invoice Code	Rate
SSD: Bulk Specific Gravity of Compacted HMA Sample or Core	ASTM D2726, CTM 308C, AASHTO T166	3000	\$67.00
Coated: Bulk Specific Gravity Compacted HMA Sample or Core	ASTM D1188, CTM 308A, AASHTO T275	3001	\$97.00
Draindown Characteristics in Uncompacted HMA	ASTM D6390, AASHTO T305	3002	\$200.00
Lab Mixed-Effect of Moisture on HMA	ASTM D4867, AASHTO T283	3003	\$1,568.00
Lab Mixed-Effect of Moisture on HMA, 1 Freeze Thaw	ASTM D4867, AASHTO T283	3004	\$1,914.00
Plant Mixed-Effect of Moisture on HMA Mix	ASTM D4867, AASHTO T283	3005	\$1,134.00
Plant Mixed-Effect of Moisture on HMA, 1 Freeze Thaw	ASTM D4867, AASHTO T283	3006	\$1,568.00
Extraction: % Bitumen by Ignition	ASTM D6307, CTM 382, AASHTO T308	3007	\$257.00
Extraction: % Bitumen by Ignition & Gradation	ASTM D6307/D5444, CTM 382/202, AASHTO T308/T27	3008	\$355.00
Gyratory Compacted Bulk Sp. Gr. (set of 3)	ASTM D6925, AASHTO T312	3009	\$350.00
Plant Mixed - Hamburg Wheel Track Test	AASHTO T234	3010	\$1,439.00
Lab Mixed - Hamburg Wheel Track Test	AASHTO T234	3011	\$2,440.00
HMA Ignition Oven Correction Factor	ASTM D6307, CTM 382, AASHTO T309	3012	\$919.00
HMA Moisture Content	CTM 370, AASHTO T329	3013	\$74.00
Hveem Mix Design	Project Specified	3014	By quote
Hveem Compacted Bulk Sp, Gr. (set of 3): Paraffin	ASTM D1188, CTM 308A, AASHTO T275	3015	\$248.00
Hveem Stabilometer Test - Lab Mixed (set of 3)	ASTM D1560/1561, CT 304/366, AASHTO T246/247	3016	\$425.00
Hveem Stabilometer Test - Plant Mixed (set of 3)	ASTM D1560/1561, CT 304/366, AASHTO T246/247	3017	\$260.00
Lab Mixed - Indirect Tensile Strength of HMA (IDT)	ASTM D6931	3018	\$414.00
Plant Mixed - Indirect Tensile Strength of HMA (IDT)	ASTM D6931	3019	\$280.00
Lab Mixed - High Temperature Indirect Tensile Strength of HMA (IDT-HT)	ASTM D6931	3038	\$414.00

Laboratory Testing Services			
Plant Mixed - High Temperature Indirect Tensile Strength of HMA (IDT-HT)	ASTM D6931	3039	\$280.00
4" Marshall Compacted Bulk. Sp. Gr. (set of 3)	ASTM D2726, CTM 308C, AASHTO T166	3020	\$278.00
6" Marshall Compacted Bulk Sp. Gr. (set of 3)	ASTM D2726, CTM 308C, AASHTO T166	3021	\$287.00
Marshall Mix Design	Project Specified	3022	By quote
Max. Theoretical Specific Gravity [RICE]	ASTM D2041, CTM 309, AASHTO T209	3023	\$191.00
Open Grade Mix Design	Project Specified	3024	By quote
Quantitative Extraction: % Bit. & Sieve Analysis	ASTM D2172, AASHTO T164	3025	\$375.00
RAP Quality Testing - Total of 3 Samples	CTM 384, MS-2	3026	\$2,927.00
Lab Mixed - Resistance of Compacted HMA to Moisture Damage	CTM 371	3027	\$2,290.00
Resistance to Plastic Flow - 4" Marshall of Cored Sample	ASTM D6926/6927, AASHTO R68/T245	3028	\$184.00
Resistance to Plastic Flow - 4" Marshall Test, Plant Mix	ASTM D6926/6927, AASHTO R68/T245	3029	\$280.00
Resistance to Plastic Flow - 4" Marshall Test Lab Mixed	ASTM D6926/6927, AASHTO R68/T245	3030	\$414.00
Resistance to Plastic Flow - 6" Marshall Test Lab Mixed	ASTM D5581	3031	\$541.00
Resistance to Plastic Flow - 6" Marshall Test, Premixed	ASTM D5581	3032	\$432.00
Superpave Mix Design	Project Specified	3033	By quote
Rutting Susceptibility of HMA using the APA Lab Mixed	AASHTO T340	3034	\$2,291.00
Rutting Susceptibility of HMA using the APA - Plant Mixed	AASHTO T340	3035	\$1,913.00
Lab Mixed - Rapid Shear Rutting Test (IDEAL-RT) - Set of 3	ASTM WK71466	3040	\$1,800.00
Plant Mixed - Rapid Shear Rutting Test (IDEAL-RT) - Set of 3	ASTM WK71466	3041	\$1,620.00
Lab Mixed - Indirect Tensile Cracking Test (IDEAL -CT) - Set of 3	ASTM 8225	3036	\$1,800.00
Plant Mixed - Indirect Tensile Cracking Test (IDEAL -CT) - Set of 3	ASTM 8225	3037	\$1,620.00
Emulsion Tests			
Test	Test Method	Invoice Code	Rate
Emulsion Residue, Evaporation	ASTM D244	3100	\$151.00
Emulsion Sieve Test	ASTM D244	3101	\$146.00
Furol Viscosity @ 77°F	ASTM D7496	3102	\$153.00
Furol Viscosity @ 122°F	ASTM D7496	3103	\$161.00
Penetration	ASTM D5	3104	\$140.00
Residue by Evaporation	ASTM D6934	3105	\$146.00
Sieve Test	ASTM D6933	3106	\$114.00
Storage Stability, 1 Day	ASTM D6930	3107	\$180.00
Storage Stability, 5 Day	ASTM D6930	3108	\$207.00
Wet Track Abrasion	ASTM D3910	3109	\$193.00

Laboratory Testing Services

Binder Tests

Test	Test Method	Invoice Code	Rate
Cone Penetration	ASTM D217	3200	\$128.00
Haake Viscosity	LP-11	3201	\$166.00
Resilience @ 77°F	ASTM D5329	3202	\$128.00
Rubber Binder Profile	Project Specified	3203	\$4,332.00
Softening Point	ASTM D36	3204	\$140.00
PG Binder Specification Compliance	AASHTO M320	3205	\$908.00
PG Grade Determination	AASHTO R29 / AASHTO M332	3206	\$1,155.00

--END OF SCHEDULE OF FEES--



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Memorandum No. 1949

To: Board of Directors

From: Erwin Fogerson, PERC Engineer
Katelyn Scholte, Principal Engineer

Date: July 12, 2023

Subject: Award of Contract for Construction of the Mill Creek Diversion and Debris Management Improvement Project

RECOMMENDATION

Staff recommends that the Board: (1) Award a contract to Empire Equipment Services, Inc (Riverside, CA) in the amount of \$1,353,234.08 for the Project; (2) authorize a contingency fund of \$135,324 for the Project; (3) authorize the General Manager to approve the expenditure of the contingency fund of \$135,324 for verified quantity overruns for this unit priced construction contract and order any necessary changes or additions in work performed under the contract; (4) authorize General Manager to accept the work when complete and execute and file the Notice of Completion; (5) authorize the General Manager to secure a letter of credit (LOC) with an appropriate qualifying lender, or alternatively, to make a refundable cash deposit from District reserves, in favor of/with the California Department of Fish and Wildlife (CDFW) in the amount of \$175,000, as required by the Streambed Alteration Agreement for the project, which will secure the Project's required mitigation.

BACKGROUND

The purpose of the Mill Creek Diversion and Debris Management Improvement Project (Project) is to modify the existing upper diversion inlet at the San Bernardino Valley Water Conservation District's Mill Creek Groundwater Recharge Facility to improve management of debris and creek bed sediments. The proposed enlarged gates, diverted walls and a low flow outlet are designed to push more potential stormwater-carried material back into the Mill Creek channel system, while allowing less sediment laden water to be rerouted to the existing spreading basins for groundwater recharge. The Project will maintain water diversion during high flow events, limit impacts to diversion from debris, and limit loss of recharge and costs due to sediment accumulation.

The project has undergone an extensive permitting process that included both 404 and 408 permits from the Army Corps of Engineers (Corps), a 401/WDR permit from the Regional Water Quality Control Board, a Lake and Streambed Alteration Agreement from the California Department of Fish and Wildlife and an encroachment permit from San Bernardino County Flood Control. Copies of all issued and pending

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwwcd.org Email: info@sbvwwcd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

permits are included in the Special Provisions, additional funds to be budgeted by the General Manager for pay adjustments to other employees, to be more specifically defined and detailed through the budgeting process for the upcoming fiscal year.

The project was designed by CWE Engineering and underwent multiple revisions as part of the 408-permitting process. Additional structural calculations, geotechnical investigations, and environmental studies were required to satisfy Corps requirements. The Corps has approved the plan set and the required supporting documentation and issued the 408-permit for the project. San Bernardino County Flood Control District has issued the required Encroachment permit for construction of the project. California Department of Fish and Wildlife is reviewing the request to re-issue the Lake and Streambed Alteration Agreement. The Corps is in the process of finalizing the 404-permit for the project and anticipates issuance in the next few weeks.

The Board approved purchase of the new gates in April of 2022. All three gates were delivered in the spring of 2023.

On April 19, 2023, the Operations Committee reviewed the Bid Package including the Notice Inviting Bids, Special Provisions, project plans, and contract documents and recommended the Board approve the Project Plans and Bid Package.

Due to the anticipated length of construction and its potential interference with the winter storm season, Staff released the Bid package upon receiving the Permit from San Bernardino County Flood Control and the US Corps of Engineers. The Notice Inviting Bids was released on June 1, 2023. The recommended preconstruction meeting was held on June 13, 2023. The Board reviewed and approved the plans and specifications for the Project on June 14, 2023. Bids were opened at June 29, 2023, at 4 PM. Bids were analyzed on June 30, 2023, and the low bidder was interviewed on July 5, 2023.

DISCUSSION

The proposed contract will award construction services for the Mill Creek Diversion and Debris Management Improvement Project.

Bids were obtained from a total of six companies. This Project was advertised in two construction bid service websites, ebidboard.com and Dodge Plan Board, and on the District’s website from June 1 through June 29, 2023. Two addenda were issued. The first addendum was concerning clarification of staging of equipment on-site. The second addendum was issued to notify potential bidders that the District would supply the required wildlife exclusion fencing. All bids were received within the listed due date on June 29th and within the required time. Results are as follows:

Contractor	Location	Total Bid Phase 1 &2
Empire Equipment Services, Inc.	Riverside, CA	\$1,353,324.08
SOL Construction, Inc.	Riverside, CA	\$ 1,392,870.60

Zusser Company, Inc.	Los Angeles, CA	\$ 1,524,635.00
H & H General Contractors, Inc.	Highland, CA	\$ 1,596,074.00
Metro Builders & Engineers Group, Inc.	Newport Beach, CA	\$ 1,996,156.00
KEC Engineering	Corona, CA	\$ 2,269,999.69

Staff recommends the Board approve the award of the construction services contract to Empire Equipment Service, Inc,

In addition, staff recommends the Board authorize and approve the General Manager, acting by and through the District engineering staff serving as the Resident Engineer, to approve contingencies for accepted change orders and modifications to the contract as may be made necessary through the course of construction in the amount of ten percent (10%) of such amount, to avoid potential delays that might otherwise be required to seek Board approval for expenditure of such amounts. Given the relatively short time for construction under the contract, consisting of eighty (80) working days, such prior authorization is intended to limit processing delays, or cost increases attributable to work stoppages or demobilizations necessitated by unforeseen conditions or circumstances. Staff will work to avoid all cost overruns and will closely monitor any expenditure of such contingencies, if needed.

Finally, California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 Condition Section 5 requires the District to determine the amount of funding required to comply with all permit conditions (e.g. record a conservation easement, annual reporting) and secure this amount by a letter of credit with a lending institution amenable to use of CDFW’s standard letter of credit forms, or alternatively, can be met by way of a refundable cash deposit made with CDFW. Staff is working with CDFW to determine the most expeditious and cost effecting option to support the construction timelines that will allow completion of construction prior to next year’s rainy season Staff seeks the Board’s authorization to secure a letter of credit or post the non-refundable deposit directly with CDFW to fulfill this project condition prior to the start of construction, as required.

FISCAL IMPACT

Approval of the recommended action would result in expenditure of up to \$1,353,234.08 from Capital GL 7151, Mill Creek Diversion Project. In total, the prior authorized expenditures (e.g., design, permits, gate purchase) and the two recommendations proposed for Board consideration today for this project are \$2,204,795. The construction contract for this project is scheduled for Board consideration at today’s meeting.

POTENTIAL MOTIONS

1. (1) Award a contract to Empire Equipment Services, Inc (Riverside, CA), in the amount of \$1,353,234.08 for the Project; (2) authorize a contingency fund of \$135,324 for the Project; (3) authorize the General Manager to approve the expenditure of the contingency fund of \$135,324 for verified quantity overruns for this unit priced construction contract and order any necessary changes or additions in work performed under the contract; (4) authorize General Manager to accept the work

when complete and execute and file the Notice of Completion; (5) authorize the General Manager to secure a letter of credit (LOC) with an appropriate qualifying lender, or alternatively, to make a refundable cash deposit from District reserves, in favor of/with the California Department of Fish and Wildlife (CDFW) in the amount of \$175,000, as required by the Streambed Alteration Agreement for the project, which will secure the endowment required for management of off-site habitat acreage to mitigate impacts from the Project.

2. Refer the item back to the Operations Committee for additional consideration.
3. Provide other directions to staff.

ATTACHMENTS

Mill Creek Diversion and Debris Management Improvement Project Construction Services Agreement Bid Proposal for the Construction of Mill Creek Diversion and Debris Management Improvement Project

**MILL CREEK DIVERSION AND DEBRIS MANAGEMENT
IMPROVEMENT PROJECT**

CONSTRUCTION SERVICES AGREEMENT

THIS CONTRACT CONSTRUCTION SERVICES AGREEMENT (“Agreement”) is entered into by and between the **SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT**, a California Water conservation District and political subdivision of the State of California, (“District”), and **EMPIRE EQUIPMENT SERVICES, INC.** (“Contractor”), a California corporation (“Contractor”), and is effective upon signature by District and Contractor.

NOW THEREFORE, the parties hereto agree as follows:

RECITALS

1. **Independent Contractor.** Contractor is an independent contractor and not an employee of the District. Contractor shall have no authority to bind the District by any statement, representation, or promise of any kind or nature without first obtaining the District’s written consent.
2. **Coordination with Owner (if not District).** Contractor shall not interfere with the District’s relationship with the Owner and shall not deal directly with the Owner or Owner’s representative without prior authorization in each instance from the District. The Contractor is hereby authorized to coordinate directly with the Owner to secure site access. Additionally, the Contractor is authorized to coordinate directly with the Owner to ensure diversion flows are maintained in the existing diversion canal as specified on Sheet C1 of the Plans under Construction Schedule Constraints.
3. **Authority.** The parties represent that they are authorized to enter into this Agreement and that the persons executing this Agreement on their behalf have the authority and capacity to do so.
4. **Construction.** This Agreement shall not be construed against any of the parties and the rule of construing contract ambiguities against the party drafting the contract shall be inapplicable.
5. **Effect of Headings.** The headings used in this Agreement are for convenience only and shall not affect the construction or interpretation this Agreement.
6. **Word Usage.** Unless the context clearly requires otherwise, plural and singular numbers will be considered to include the other; the masculine, feminine, and neuter genders will each be considered to include the others; “shall,” “will,” “must,” “agree,” and “covenants” are each mandatory; “may” is permissive; “or” is not exclusive; and “includes” and “including” are not limiting.
7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties, supersedes all prior or contemporaneous oral or written agreements between the parties, and may only be amended by an instrument in writing executed by the parties.
8. **Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties.
9. **Counterparts.** This Agreement may be executed in counterparts, a facsimile of which shall be deemed an original, and all of which shall together be deemed one and the same instrument.
10. **Governing Law.** This Agreement shall be construed under, and governed by, the laws of the State of California.
11. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, such invalid or unenforceable provision(s) shall not affect the validity or enforceability of any other provision of this Agreement.

SCOPE OF WORK and CONTRACT DOCUMENTS

CONTRACTOR will furnish to DISTRICT all transportation, materials, equipment, labor, services, permits, utilities and all other items necessary to complete the construction of the Mill

Creek Diversion and Debris Management Improvement Project within Mill Creek east of Garnet Street in the unincorporated area of San Bernardino County, CA, Project No. SBVWCD – P003 (“Project”) Contractor shall furnish all labor, services, materials, equipment and tools of every kind and nature to fully perform in a workmanlike and timely manner the following scope of work (“Contract Work”):

The work consists of re-constructing diversion and channel features along a segment of Mill Creek in the unincorporated area of San Bernardino, California, to minimize the accumulation of debris and possible clogging of the diversion structure. The Project will include the removal and reconstruction of the existing concrete diversion structure and approach channel. The reconstruction will include increasing the size of the gate structures, adding grouted and non-grouted rip-rap slope protection and adding a drivable concrete rip-rap access road. Access to and the site is limited to an existing dirt access road and the work area within the channel is limited to the footprint of the improvements. The access road is approximately 10 feet wide, is only passable using off road vehicles, and cannot be altered.

Contractor shall perform the Contract Work in strict accordance with the Contract Documents which are incorporated herein by reference and shall not deviate from the Contract Documents without the prior written approval of the District. Contractor shall be responsible for any additional costs, delays or damages caused by deviation from the Contract Documents without the prior written approval of the District. All Contract Work shall be subject to the satisfaction and approval of the District.

A condition precedent to the Contractor receiving a Notice to Proceed for the Contract Work is Contractor’s submission of a signed copy of this Agreement, bonds, insurance certificates requested by the District, a Storm Water Pollution Prevention Plan if required, a Certificate of Reported compliance for vehicle fleets conforming to California Air Control Board Regulations, and an updated list of Contractor’s subcontractors and material suppliers on the project.

The Contract Documents consist of the following attachments:

Bid Proposal (bonds omitted)

The Contract Documents consist of the following by reference:

This Agreement and all accompanying documents thereto

Notice Inviting Bids

Special Provisions

Addenda

Plans (Sheets 1 through 10) dated February 2022 with revisions shown on Sheet Date February 28, 2022

Instructions to Bidders

2021 Edition of (“Greenbook”) Standard Specifications for Public Works Construction

In the event of a conflict or discrepancy among the Contract Documents, interpretation will be based on the following priorities: (1) this Agreement; (2) the Special Provisions (3) Plans (4) 2021 Edition of (“Greenbook”) Standard Specifications for Public Works Construction.

TIME FOR PERFORMANCE AND SCHEDULING

Contract Time - Contractor shall complete all work within the number of days listed in the Special Provisions after Notice to Proceed from the District has been issued.

Scheduling - Time is of the essence under this Agreement. Contractor shall cooperate with the District in the timely performance of the Contract Work and shall develop the schedule for the Project, for approval by the District, which conforms to the construction schedule constraints listed on Sheet T1 of the Plans.

The District retains and shall have the right to direct the scheduling of the Contract Work as the District deems to be in the best interest for the Project as a whole, and Contractor shall perform the Contract Work in accordance with the approved schedule so as not to delay, disrupt, or damage the work. Should Contractor fall behind the approved schedule or if, in the opinion of the District, Contractor is not maintaining a satisfactory rate of progress, the District may direct Contractor to take such action as the District deems necessary to timely perform the Contract Work, including, but not limited to, increasing the number of superintendents, foremen, and laborers, increasing the number of crews, increasing the number of shifts, employing more or better equipment, working overtime, expediting delivery of materials, substituting materials, changing the sequence of performance, or any other increase or acceleration of effort, all of which shall be performed by Contractor at no cost to the District.

In the event the Contract Work is delayed or disrupted by the District, the San Bernardino County Flood Control District or third parties, Contractor may make a written request to the District for a time extension, which may be granted in District's sole and absolute discretion.

The District may award the Contract during winter months when weather may result in construction delays. In the event that weather conditions result in the loss of working days, the Contract Time shall be extended by an equivalent amount of time. In the event that weather delays result in a loss of 20 working days or more, the District and the Contractor will meet and confer in good faith to negotiate an equitable adjustment in cost to compensate for demonstrated additional mobilization and standby costs of Contractor.

SCHEDULE OF PRICES

ITEM NO.	DESCRIPTION	QTY.	UNIT	UNIT PRICE	TOTAL
1	MOBILIZATION	1	LS	\$ 121,706.78	\$ 121,706.78
2	DEMOLITION (EXISTING WALLS, GATES AND CATWALK)	1	LS	\$ 20,830.69	\$ 20,830.69
3	DEMOLITION (EXISTING CONCRETE PCC SLAB 7 WALL FOOTINGS)	53	CY	\$ 143.32	\$ 7,595.96
4	DEMOLITION (EXISTING GROUTED ROCK)	410	SY	\$ 114.46	\$ 46,928.60
5	CLEAR AND GRUB	0.6	AC	\$ 15,144.98	\$ 9,086.99
6	WORK SITE MAINTENANCE, BMPs, and SWPPP	1	LS	\$ 18,244.70	\$ 18,244.70
7	ONSITE MITIGATION MEASURES	1	LS	\$ 8,392.86	\$ 8,392.86
8	UNCLASSIFIED EXCAVATION	6,745	CY	\$ 21.97	\$ 148,187.65
9	STRUCTURAL CONCRETE	76	CY	\$ 2,510.17	\$ 190,772.92
10	18 INCH PCC SLAB	60	CY	\$ 1,236.91	\$ 74,214.60
11	12 INCH PCC SLAB	113	CY	\$ 1,004.73	\$ 113,534.49
12	METAL CATWALK	213	SF	\$ 534.91	\$ 113,935.83
13	CATWALK HANDRAIL	151	LF	\$ 193.55	\$ 29,226.05
14	CATWALK ACCESS LADDER	6	LF	\$ 584.88	\$ 3,509.28
15	DIVERTER WALL STEEL PLATE	672	SF	\$ 126.28	\$ 84,860.16
16	GATE GRATE	15.2	SF	\$ 780.72	\$ 11,866.94
17	TRASH RACK BARRIER	1	LS	\$ 44,967.09	\$ 44,967.09
18	STAINLESS STEEL 5' x 5' SLIDE GATES	2	LS	\$ 9,647.57	\$ 19,295.14
19	STAINLESS STEEL 17' x 5' SLIDE GATE INSTALL	1	EA	\$ 24,613.20	\$ 24,613.20
20	RIPRAP CONCRETE	430	EA	\$ 452.82	\$ 194,712.60
21	CRUSHED AGGREGATE BASE	35	CY	\$ 332.30	\$ 11,630.50
22	GROUTED RIPRAP, (CLASS IV MODIFIED)	720	CY	\$ 18.48	\$ 13,305.60
23	LOCAL ROCK, (CLASS V)	540	CY	\$ 36.23	\$ 19,564.20
24	RIPRAP TOEDOWN, (CLASS III MODIFIED)	620	CY	\$ 28.00	\$ 17,360.00
25	1/2 TON RIPRAP, (CLASS VII)	125	CY	\$ 39.13	\$ 4,891.25
					\$ 1,353,234.08



PAYMENT

The District shall pay Contractor for full performance of the Contract Work based on the approved percent completion of the Contract Work in strict compliance with the Contract Documents, less retainage, and subject to any adjustment to the Contract Price and/or time.

The District shall make progress payments to Contractor. Draft progress payments will be prepared by District staff every month on the same date of the contractor's choice. The District shall submit the draft progress payment to the contractor for acceptance. If the Contractor does not accept the draft payment the District shall proceed with payment and the Contractor has the right to submit a claim per the section within the agreement titled **CHANGES / CLAIMS / RESOLUTION OF CONSTRUCTION CLAIMS**. The District shall pay Contractor an amount, less retention of ten percent (10%), equal to the value of the Contract Work satisfactorily completed by Contractor as documented in the progress payment and approved by the District, within thirty (30) business days of the District approval.

Upon satisfactory completion of the Contract Work, including satisfactory completion of any punch list work, Contractor shall submit to the District the following:

- (1) Provide a signed copy of the final progress payment for the Contract Work;
- (2) Conditional waivers and releases upon final payment from Contractor and Contractor's subcontractors and material suppliers;
- (3) Unconditional waivers and releases upon progress payment from Contractor and, as applicable, Contractor's subcontractors and material suppliers for the previous payment application.

In addition to the foregoing, a condition precedent to final payment by the District to Contractor is acceptance by the District of the satisfactory completion of the Contract Work and Contractor's submission of any manuals and warranties applicable to the Contract Work.

The District shall pay Contractor an amount, including previously withheld retention, equal to the value of the Contract Work satisfactorily completed by Contractor and approved by the District, within thirty (30) business days of the District approval.

No payment, whether a progress payment or final payment, shall be construed as an acceptance of defective or incomplete work.

INSPECTION AND ACCEPTANCE

The Contract Work and Contractor's performance of the Contract Work is subject to the direction of the District and the satisfaction and approval of the District.

Unless otherwise provided, all equipment, materials, and work shall be subject to inspection and testing by the District. The District will observe the progress and quality of the work and determine, in general, if the work is proceeding in accordance with the Contract Documents. The District shall not be required to make comprehensive or continuous inspections to check the quality of the work, and shall not be responsible for construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the Project work. Visits and observations made by the District shall not relieve the Contractor of its obligation to conduct comprehensive inspections of the work and to furnish proper materials, labor, equipment, and tools, and perform acceptable work, and to provide adequate safety precautions, in conformance with the intent of the Contract.

Materials, equipment, and workmanship shall be subject to the inspection of, and rejection by, the District if not in conformance with the Contract Documents. Defective materials, equipment, or

Contract Work shall be removed from the Project site by the Contractor, whether in place or not, and shall be replaced with new and acceptable materials, equipment, or work. Repair of defective materials, equipment, or work shall be subject to the District's acceptance.

Upon substantial completion of the Contract Work, Contractor shall make its own "punch list" of Contract Work which is incomplete, defective, or otherwise not in compliance with the Contract Documents applicable to the Contract Work and shall furnish the punch list to the District. Contractor shall immediately correct all items on its punch list and all items on any other punch list or other list of discrepancies in the Contract Work provided by the District so as to expedite final inspection and acceptance of the Project.

LIQUIDATED DAMAGES

Time is of the essence in completing the Contract Work. All work must be completed within the time set forth in the Special Provisions unless an alternative completion date is approved in writing by the District upon good cause shown by the Contractor. It is mutually agreed that, if the Contractor fails to substantially complete the Contract Work within the Contract Time or stipulated milestone dates, or within extensions of time granted by the District, then the Contractor will pay the District the amount set forth in the Special Provisions for each calendar day that the Contract work extends beyond the date stipulated in the Contract Documents. See Special Provision Section 6.9 (Liquidated Damages).

CHANGES / CLAIMS / RESOLUTION OF CONSTRUCTION CLAIMS

Changes. The District may issue written change orders or written change directives for the Contract Work. Contractor shall be obligated to perform such change orders and change directives and the Contract Price and time may be adjusted as specified in such change orders and change directives. **Oral changes to the Contract Work are not valid and Contractor shall have no claim or entitlement to payment or additional time unless, prior to performance, Contractor receives a written change order or written change directive from the District.**

If Contractor requests a written change order but there is a dispute as to whether the work at issue is a change in the Contract Work, or there is a dispute as to the price or time associated with such change order, the District may issue a written change directive to the Contractor and the Contractor shall be obligated to perform such change directive without either party admitting liability for the change or waiving their respective rights under this Agreement. Any request by the Contractor for additional compensation or additional time shall be based on Contractor's actual direct costs and actual time incurred with respect to the change in the Contract Work. At the District's request, Contractor shall submit and give the District access to, current, accurate and complete data to substantiate any actual direct costs and any actual time claimed by Contractor.

For any change in the Contract Work initiated by the District, Contractor shall be entitled to an adjustment to the Contract Price and/or time, but only to the extent of such written adjustments actually received by the District on behalf of Contractor, and Contractor shall have no right to make any claims against the District for further adjustment to the Contract Price and/or time.

Contractor Claims. Contractor shall give written notice to the District of any claim for compensation, additional compensation, extension of time or other relief of any kind or nature alleged to have been caused in whole or in part by any act or omission by the District. Such notice shall be given within seven (7) days after commencement of the event giving rise to such claim. Such notice shall state the factual basis for the claim, shall itemize all costs incurred and shall indicate the number of delays and/or anticipated delays. Contractor shall provide any additional information requested by the District. With respect to any claim caused in whole in part by any person or entity other than the District, Contractor shall only be entitled to such relief less any costs incurred by the District in connection with such claim

Dispute Resolution. Unless otherwise agreed to in writing by the parties, with respect to any claim or dispute of any nature involving the District and Contractor in which the amount claimed by either party is no more than \$50,000, the parties shall first attempt to resolve such claim informally. If, following a period of thirty (30) days, or such longer period as mutually agreed to by the parties, the parties are unable to resolve the claim informally, the parties shall mediate the claim before a mediator mutually agreed to by the parties, and either party may provide the other of a written notice of mediation. Upon such notice being given, the parties to the dispute shall engage a mediator, experienced in construction disputes, in an attempt to resolve the dispute. Each party shall be represented at the mediation by a senior executive or board member authorized to settle the matter, and by a representative of any applicable insurer or bonding company. Such mediation shall occur no later than thirty (30) days following the notice of mediation, unless extended in writing by the parties. The parties may consult with technical experts as part of the mediation, and such experts may be present at the mediation. If, following mediation, the parties are unable to resolve the claim, either party may commence a legal action. The parties agree that the party failing to comply with these dispute resolution procedures shall not be entitled to the recovery of their attorney's fees in a legal action. Provided, however, that the foregoing dispute resolution procedures shall not apply if it would cause a party to be unable to timely foreclose on a mechanics lien, as applicable, fail to meet an applicable statute of limitations, or if the District pursue a claim for injunctive relief under the following paragraph.

If the District in its sole and absolute discretion believes that Contractor is not in compliance with any applicable laws, statutes, regulations, ordinances, building codes, permit conditions, recordkeeping and reporting obligations, mitigation measures and other government requirements of every nature applicable to the Contract Work, the District may, but is not obligated to, immediately commence legal action to obtain injunctive relief (including a temporary restraining order, preliminary injunction and/or permanent injunction) and any related remedies to compel such compliance. The prevailing party in any such action for injunctive relief and any related remedies shall be entitled to the recovery of their attorney's fees, without regard to whether it complied with the dispute resolution process above.

With respect to any claim or dispute of any nature involving the District and Contractor in which the amount claimed by either party exceeds \$50,000, or if amount claimed by either party is no more than \$50,000 and the parties have complied with the foregoing dispute resolution procedures or agreed to waive such procedures in writing, the parties agree that in any legal action the prevailing party making a monetary claim shall only be entitled to recover from the non-prevailing party its reasonable attorney's fees equal to the proportion of the amount awarded to the amount claimed.

Nothing herein shall excuse Contractor from any claims presentation requirements, including but not limited to claims arising under the Government Claims Act, and the dispute resolution procedures herein shall be in addition to, and not in place of, any such requirements.

PREVAILING WAGE

The Contractor agrees to comply with the provisions of Sections 1771 and 1774 of the California Labor Code pertaining to the payment of prevailing wage rates, and to require each of its subcontractors to so comply. Pursuant to Section 1775 of the California Labor Code, the Contractor, and any of its subcontractors, shall forfeit to the District, and the District will withhold from any monies due the Contractor, the amount of any penalties, as determined by the Labor Commissioner, to be assessed for nonpayment of prevailing wage rates.

Contractor will maintain and will require all subcontractors to maintain valid and current Department of Industrial Relations (DIR) Public Works Contractor registration during the term of this Project. Contractor shall notify the District in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contractor's or any of its

subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed.

Contractor will pay, and will require all subcontractors to pay, all employees on the Project a salary or wage at least equal to the prevailing salary or wage established for such work as set forth in the wage determinations and wage standards applicable to this work. Federal prevailing wage rates apply for federally funded projects. Travel and subsistence pay shall be paid in accordance with Labor Code § 1773.1.

Contractor shall be subject to penalties in accordance with Labor Code of § 1775 for each worker paid (either by Contractor or by any subcontractors) less than the prevailing rate described above on the work provided for in this Contract. Pursuant to Labor Code Section 1776, Contractor shall, and shall require all of its subcontractors to, maintain certified payroll records to show the name, address, social security number, work classification, straight time, and overtime worked each day and week, and the actual per diem wages paid to each worker. The Contractor must certify the accuracy of such records, and they must be kept available for inspection at all reasonable hours.

Contractor and subcontractors shall comply with Labor Code § 1810 and § 1811 which stipulates that eight hours labor constitutes a legal day's work, and § 1812 which stipulates that the Contractor and subcontractors shall keep an accurate record showing the name of and actual hours worked each calendar day and each calendar week by each worker employed by him in connection with the work performed under the terms of the Contract. Failure to comply with these sections of the Labor Code will subject the Contractor to penalty and forfeiture provisions of the Labor Code § 1813.

Contractor will comply with the provisions of Labor Code § 1777.5 pertaining to the employment of apprentices to the extent applicable to this Contract.

Contractor, by executing this Contract, hereby certifies:

"I am aware of and will comply with the Labor Code § 3700 by securing payment for and maintaining in full force and effect for the duration of the contract, complete Workers' Compensation Insurance, and shall furnish a Certificate of Insurance to the City before execution of the Contract. The City, its officers, or employees, will not be responsible for any claims in law or equity occasioned by failure of the Contractor to comply with this paragraph."

Contractor further agrees to require all subcontractors to carry Workers' Compensation Insurance as required by the Labor Code of the State of California.

WORKERS COMPENSATION CERTIFICATION

Before commencing with the Contract Work, Contractor shall cover or insure under the applicable laws relating to workers' compensation insurance all of its employees working on or about the Project site, in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Contractor shall provide worker's compensation insurance and employer's liability insurance with limits not less than Two Million Dollars (\$2,000,000) each occurrence. Such policy of workers compensation insurance shall contain the following separate endorsements:

- (a) "Insurer waives all rights of subrogation against the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives and volunteers."
- (b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason by the insurer until thirty (30) days after receipt by the San Bernardino Valley Water Conservation District of a written notice of such cancellation, limitation or reduction of coverage."

INSURANCE CERTIFICATION

Contractor shall at the time of the execution of the Contract present to District the original policies of insurance required by this Paragraph or a certificate of the insurance, with separate endorsements (Insurance Services Office Form CG 2026, or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein and copies of all endorsements signed by the insurer's representative. All policies shall contain the Contractor's name and location of the Project site on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed complete certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with District. Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability:

Commercial General Liability Insurance providing coverage in the following minimum limits:

- (a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence for Bodily Injury, Personal Injury or Death and Property.
- (b) Damage Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).
- (c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504, or insurer's equivalent endorsement provided to District), or the general aggregate limit shall be twice the required occurrence limit.

Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired, and borrowed automobiles and similar vehicles, providing the following minimum limits:

- (a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence for Bodily Injury or Death and Property Damage.
- (b) Coverage shall be at least as broad as Insurance Services Office (ISO) Business and Auto Coverage (Form CA 0001) covering any auto.

Endorsements: The policies of liability insurance provided for in this paragraph shall specify that this specific Contractor is insured and that coverage for injury to participants resulting from Contractor's activities is not excluded, and shall be in a form satisfactory to District and contain the following separate endorsements:

- (a) "The San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respects to the operations and activities of the named insured at or from the Project area of the San Bernardino Valley Water Conservation District. The coverage shall contain no special limitations on the scope of protection afforded to the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives and volunteers."
- (b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, canceled, limited, non-renewed, or materially changed for any reason until thirty (30) days after receipt by the San Bernardino Valley Water Conservation District of a written notice of such cancellation, limitation or reduction of coverage."
- (c) "This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover

a loss under said policy; the San Bernardino Valley Water Conservation District shall not be liable for the payment of premiums or assessments on this policy.”

- (d) “Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the San Bernardino Valley Water Conservation District, its officers, directors, employees, representatives, or volunteers.”
- (e) “This insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

Professional Liability: If Contractor has design responsibilities, professional errors and omissions liability insurance with a limit of \$2,000,000 per claim.

The insurance and defense and indemnity obligations under this Agreement are non-delegable. Contractor shall not subcontract any portion of the Contract Work without retaining absolute responsibility for requiring similar insurance from its Contractors. Contractor’s failure to maintain complete insurance shall be deemed a material breach of this Agreement and the District may either terminate this Agreement or provide the required insurance and deduct the cost of which from any payment due to Contractor.

Contractor shall be responsible for all insurance premiums required under this Agreement and shall defend, indemnify and hold harmless the District from and against any claim, loss or damage for which insurance should have been provided under this Agreement.

Cancellation of or Changes in Insurance: The Contractor shall provide the District with, or the Contractor's insurance policies shall contain a provision that the District shall receive, written notice of cancellation or any change in the insurance required in the Specifications, including insurer, limits of coverage, term of coverage, or policy period. The written notice shall be provided to the District at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in the insurance required in the Specifications may constitute a material breach of the Contract, in the sole discretion of the District, upon which the District may suspend or terminate the Contract.

Failure to Maintain Insurance: The Contractor's failure to maintain or provide acceptable evidence that it maintains the insurance required in the Specifications shall constitute a material breach of the Contract, upon which the District may immediately withhold payments due to the Contractor, and/or suspend or terminate the Contract. The District may obtain damages from the Contractor resulting from said breach. Alternatively, the District may purchase the insurance required in the Specifications and, without further notice to the Contractor, deduct the premium cost from sums due to the Contractor or pursue reimbursement from the Contractor.

INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend, indemnify and hold harmless the District, and the San Bernardino County Flood Control District, and all their officers, directors, shareholders, members, managers, partners, employees, agents, representatives and sureties (“Indemnified Parties”), from and against any and all claims, losses, suits, actions, demands, awards, judgments, attorneys’ fees, expert fees, costs and expenses of every nature which may arise out of, pertain to, or relate to, in whole or in part, Contractor, Contractor’s subcontractors and material suppliers, or their employees, agents or representative’s performance of the Contract Work, except to the extent caused by the active negligence or willful misconduct of the District, or for claims that do not arise out of the scope of work of Contractor. Contractor shall defend and hold District harmless from any and all claims, but excluding any claim that results from the sole active negligence or willful misconduct of District or Indemnified Parties; and Contractor shall

pay all expenses and costs, including attorneys' fees, incurred in connection therewith. Contractor shall promptly pay any judgment rendered against Contractor or District covering any Claim, and hold and save District and Indemnified Parties harmless therefrom. In the event District is made a party to any action or proceeding filed or prosecuted for or arising out of or in connection with any Claim, Contractor shall pay to District any and all costs and expenses incurred by District in any such action or proceeding, together with reasonable attorneys' fees. Contractor's obligation to defend Indemnified Parties shall be immediate upon written notice by the District and Contractor shall, if requested by the District, defend Indemnified Parties using counsel approved by the District in its sole discretion. All the indemnity obligations of Contractor under this paragraph as otherwise set forth in this Agreement, shall survive the expiration or earlier termination of this contract.

PAYROLL RECORDS / APPRENTICES / HOURS OF WORK

Payroll Records: The Contractor agrees to comply with the provisions of Section 1776 of the California Labor Code pertaining to payroll records and will be responsible for compliance by its subcontractor(s).

Employment of Apprentices: The Contractor agrees to comply with the provisions of Section 1777.5 of the California Labor Code relating to the employment of apprentices by the Contractor and its subcontractor(s).

Hours of Labor: The Contractor agrees to comply with Sections 1810 through 1815 of the California Labor Code pertaining to the hours of labor and payment for such. Pursuant to Section 1813 of the California Labor Code, the Contractor and any of its subcontractors, shall forfeit to the District, and the District will withhold from any monies due the Contractor, the amount of twenty-five dollars (\$25) for each worker employed in the execution of the Contract by the Contractor or any of its subcontractor for each calendar day required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of the Sections 1810 through 1815 of the California Labor Code

PROVISIONS REQUIRED BY LAW AND ADDITIONAL RESPONSIBILITIES

Compliance with Laws. Contractor is responsible for all contributions, taxes, deposits and other payments with respect to the wages, salaries, benefits, or other obligations paid or owed by Contractor to Contractor's employees and others who perform work or render services to Contractor. Contractor is responsible for all income, gross receipts, use, and other taxes applicable to materials, equipment, tools, and labor incorporated and used in Contractor's performance of the Contract Work.

Contractor shall comply with all laws, statutes (including, but not limited to, the National Environmental Policy Act, 42 U.S.C. § 4321 *et seq.*; the California Environmental Quality Act, Cal. Public Resources Code § 21000 *et seq.*; the Endangered Species Act, 7 U.S.C. § 136, 16 U.S.C. § 1531 *et seq.*; the California Endangered Species Act, Cal. Fish and Game Code § 2050 *et seq.*; the Clean Water Act, 33 U.S.C. § 1251, *et seq.*; Lake and Streambed Alteration Program, Cal. Fish & Game Code § 1600, *et seq.*; and the National Historic Preservation Act, 16 U.S.C. § 470 *et seq.*; Federal Acquisition Regulations, 48 C.F.R. Chap. 1), regulations (including, but not limited to, those associated with the previously identified statutes), ordinances, building codes, permit conditions (including permit conditions of the finally issued Streambed Alteration Agreement from CDFW, the standard conditions of which have been provided in draft form to Contractor), recordkeeping and reporting obligations, mitigation measures and other government requirements of every nature applicable to the Contract Work, and shall obtain and hold all licenses, certifications and other government requirements necessary to perform the Contract Work.

Contractor shall conduct shoring and trench safety operations in accordance with OSHA and the Construction Safety Orders of the State of California, pursuant to the provisions of Section 6707 of California Labor Code. Prior to any shoring or excavation work, the Contractor shall submit to the District a Site Safety Plan, which shall include details of provisions for worker protection from caving ground.

Contractor shall comply with rules, policies and procedures pertaining to health, safety, substance abuse and general conduct in the workplace established by the California Occupational Safety and Health Administration, and to other rules of law applicable to the Contract Work.

Superintendence and Cooperation. Contractor shall have a qualified, experienced, and competent superintendent at the Project site at all times during performance of the Contract Work and as otherwise necessary to ensure full performance of Contractor's obligations under the Contract Documents applicable to the Contract Work, or to address safety or emergency conditions that may exist or arise on the Project site. Contractor is responsible for the superintendence and safety and progress of the Contract Work in conformance with the Contract Documents, including activities of suppliers and subcontractors. Contractor's superintendent shall have absolute authority in all respects to act for and on behalf of Contractor and to bind Contractor by statements made, agreements reached, actions taken, and notices received. Contractor's superintendent shall have the authority and responsibility to execute promptly and properly the District's directions relating to the Contract Work.

The Contractor shall place on record with the District, and keep current, the name of the Contractor's superintendent and the phone number at which he/she can be contacted at such times that he/she is not at the work site (such as after working hours and on holidays and weekends) to respond to the District requests to correct safety and other problems that may arise in connection with the Contract Work or otherwise related to the Project site.

If any person employed by the Contractor, including the Contractor's superintendent, shall fail or refuse to carry out the directions of the District or shall appear to the District to be incompetent, insubordinate, or to act in a disorderly, unsafe, or improper manner, that person shall be removed from the Project site immediately on the request of the District, and such person shall not again be employed on the Project. Such discharge shall not be the basis for any claim for compensation, delay, or damages against the District.

Protection and Storage. Contractor shall provide necessary and appropriate protection of the Contract Work, protect the work of others with respect to Contractor's performance of the Contract Work, and shall assume all risks of loss, damage, deterioration or destruction of the Contract Work and damage to the work of others caused by Contractor's performance of the Contract Work, including stored materials, by weather, individuals, or other causes until final acceptance of the Project by the District. Contractor shall store and protect its materials, equipment, tools and other items as well as those furnished to Contractor by the District or others. Storage areas, workshops, and other areas used or to be used by Contractor, shall be as designated by the District or shown on the Staging Area Detail and no materials, equipment, tools or other items owned or used by Contractor shall be stored except in this area. Contractor shall maintain such areas in an orderly, safe, and well-kept manner. Contractor shall coordinate all material, equipment and tool deliveries with the District and Owner prior to delivery to the site. Contractor shall not be entitled to payment for storage either on or off site.

Site Safety. Contractor shall comply with all safety laws, rules, permits, and regulations applicable to Contractor's performance of the Contract Work including, but not limited to, all federal, state and local rules and regulations promulgated by government agencies.

Contractor shall defend, indemnify and hold harmless the District from and against any and all costs and expenses incurred by the District for fines, penalties and corrective measures resulting from acts or omissions of Contractor, its subcontractors, material suppliers, employees, agents and

assigns, arising or resulting from their failure to comply with such safety laws, regulations and rules.

The Contractor shall be solely and completely responsible for the conditions of the work site, including safety of all persons and property during performance of the Contract Work. This requirement shall apply continuously and not be limited to normal working hours. Contractor shall immediately report to the District any injury to or caused by any of Contractor's employees at the site. A written report shall be made on the date of the incident or accident and submitted by Contractor to the District.

Labor Relations. Contractor shall do whatever is necessary in the performance of the Contract Work, or as may be directed by the District, to assure the harmonious labor relations on the Project and to prevent strikes or other labor disputes on the Project. Contractor shall remove from the Project site any subcontractor, material supplier, employee or agent for whom Contractor is responsible whose conduct is disruptive to the progress of the Project as determined by the District, or whose performance is unsatisfactory in the judgment of the District. Contractor agrees that in the event of a work stoppage or other disruption caused in whole or in part by a strike or other labor dispute involving Contractor, its subcontractors, material suppliers, employees, or agents for whom Contractor is responsible, the District shall have the right to terminate Contractor's performance of the Contract Work upon forty-eight (48) hours written notice to Contractor.

Cleanup and Removal and Disposal. Contractor shall keep the Project site in a clean and neat condition. Contractor shall daily clean up all trash and debris resulting from Contractor's performance of the Contract Work and shall turn over its work areas in a clean and neat condition so as to permit any succeeding work to be performed without delay and without the need for further cleaning. Contractor shall be responsible for the removal of non-hazardous trash and debris, and shall have responsibility for the discovery, identification, reporting, handling, removal and disposal of all hazardous materials in accordance with applicable federal, state and local laws, regulations, standards and other requirements. Should Contractor fail to keep the Project site in a clean and neat condition, fail to clean up all trash and debris resulting from Contractor's performance of the Contract Work, or fail to remove non-hazardous trash and debris or to remove hazardous materials, the District may perform such work through others and charge the cost thereof to Contractor, which the District may deduct from any payment due to Contractor

Qualifications and Inspection. Contractor warrants to District represents that it is fully qualified, experienced, and licensed to perform the Contract Work, has had, if it desires, the opportunity to inspect and conduct any tests deemed necessary by Contractor to perform the Contract Work, and assumes all risks with respect to the Contract Documents and the general and specific conditions involved in performing the Contract Work including, but not limited to, natural and manmade characteristics of the site both above and below ground, site accessibility, site storage, on-site operations, labor rates and availability, weather conditions, and any other condition of any nature which could affect Contractor's cost and performance of the Contract Work.

EQUAL EMPLOYMENT OPPURTUNITY (EEO) PROVISIONS

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of age race, color, religion, gender identity, sexual preference, or national origin. The Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of age race, color, religion, gender identity, sexual preference, or national origin and in compliance with all antidiscrimination laws of the United States of America and the State of California.

2. In all advertisements for labor or other personnel, or requests for employment of any nature, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to age race, color, religion, gender identity, sexual preference, or national origin.
3. The Contractor shall deal with its subcontractors without regard to or because of age race, color, religion, gender identity, sexual preference, or national origin.
4. The Contractor shall comply with current Federal employment and reporting requirements for publicly funded construction Contracts. Specifically, the Contractor shall make a good faith effort to comply with Federal employment goals for minority and female employment. The Contractor shall report minority and female employment data on the Federal form provided by the District. This form shall be submitted to the Engineer before the start of construction and twice annually by March 1 and September 1 of each year. Each failure to submit this form by due date will result in a Contractor penalty of \$200, which shall be deducted from any monies due the Contractor.
5. The Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other Contract or understanding, a notice, to be provided by the District, advising the said labor union or worker's representative of the Contractor's commitments under this subsection.
6. The Contractor shall allow the District access to its employment records during regular business hours to verify compliance with these provisions when so requested by the District.
7. The Contractor agrees that if the District finds that any of the above provisions have been violated, the same shall constitute a material breach of the Contract upon which the District may determine to cancel, terminate or suspend the Contract. While the District reserves the right to determine independently that the antidiscrimination provisions of the Contract have been violated, in addition, a determination by the Federal Equal Employment Opportunity Commission or the California Fair Employment and Housing Commission that the Contractor has violated Federal or State antidiscrimination laws may constitute a finding by the District that the Contractor has violated the antidiscrimination provisions of the Contract.
8. The Contractor must ensure that facilities provided for employees are provided in such a manner that segregation based on age race, color, religion, gender identity, sexual preference, or national origin cannot result. The Contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The Contractor's obligation extends further to ensuring that its employees are not assigned to perform their services at any location, under the Contractor's control, where the facilities are segregated. This obligation extends to all Contracts containing the equal opportunity clause regardless of the amount of the Contract. The term "facilities," as used in this section, means waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, wash rooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees; Provided, that separate or single-user restrooms and necessary dressing or sleeping areas may be provided to assure privacy between the sexes. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of nondiscrimination clause. At its option, and in lieu of canceling, terminating or suspending the Contract, the County may impose damages for any violation of the antidiscrimination provisions of this subsection, in the amount of \$200.00 for each violation found and determined. The County and the Contractor specifically agree that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because, from the circumstances and the nature of the violation, it is impracticable and extremely difficult to fix actual damages.

9. The Contractor shall include the provisions of the foregoing paragraphs 1 through 8 in every subcontract over \$10,000.00, so that such provisions will be binding upon each subcontractor performing work required by the Contract.

PERFORMANCE AND PAYMENT BOND

The District requires that Contractor furnish to the District, as obligee, a performance and payment bonds for 100% of the Contract value with surety acceptable to the District.

Attachment "A" and "B", Performance and Payment Bonds, respectively, shall be executed and included as attachments to this contract.

GUARANTY

The Contractor guarantees the construction and installation of the Contract Work included in this Project. Should any of the materials or equipment prove defective or should the Contract Work as a whole prove defective, due to faulty workmanship, material furnished or methods of installation, or should the Contract Work or any part thereof fail to operate properly as originally intended and in accordance with the Plans and Specifications, due to any of the above causes, all within 12 months from the date of filing the Notice of Acceptance by the District, the undersigned shall reimburse the District upon demand, for its expenses incurred in restoring said Contract Work to the condition contemplated in said Project, including the cost of any such equipment or materials replaced and the cost of removing and replacing any other work necessary to make such replacement or repairs, or upon demand by the District, to replace any such material and to repair said Contract Work completely without cost to the District so that said Contract Work will function successfully as originally contemplated.

The District shall have the unqualified option to make any needed replacements or repairs itself or to have such replacements or repairs done by the Contractor.. In the event the District elects to have said work performed by the Contractor, the Contractor agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within a reasonable time after the receipt of demand from the District. If the Contractor shall fail or refuse to comply with his obligations under this guaranty, the District shall be entitled to all costs and expenses, including attorney's fees, reasonably incurred by reason of the said failure or refusal.

TERMINATION OF CONTRACT

Termination for cause (breach or default): Should Contractor refuse or fail for any reason to diligently, efficiently, timely, skillfully, safely or cooperatively prosecute the Contract Work; supply sufficient and competent supervision or labor; have sufficient materials and equipment of the proper quality and quantity; promptly correct work considered to be defective; pay its bills; or discharge its obligations to under this Agreement, the District may upon forty-eight (48) hours written notice to Contractor (except if Contractor advises the District that it is no longer in business, in which case, no notice is required) terminate Contractor and/or (except in the case of emergencies, in which case, no notice is required) provide such labor, materials, equipment, tools and services and deduct the cost thereof, together with an loss or damage occasioned thereby, from any payment due to Contractor. In addition, the District may use funds otherwise earned by Contractor on the Project or other projects to pay Contractor's past due bills and obligations including back charges owed to the District.

If Contractor is terminated, the District may assume control of the Contract Work, take possession of all materials and equipment necessary to continue performance of the Contract Work (including, but not limited to, materials, equipment, tools, supplies or other items located on the Project site, in storage off site, in transit to the site, or in the process of being manufactured), prosecute the Contract Work using the District's own forces or those of others, and use funds otherwise owing to Contractor to prosecute and complete the Contract Work. Contractor grants to District a lien

and security interest in all of Contractor's materials, equipment, supplies and contract rights to secure performance and completion of the Contract Work.

Upon termination of Contractor, Contractor shall not be entitled any further payments on the Project until the Contract Work has been completed and accepted by the District, and not until final payment has been received by the District. Contractor shall be liable for all costs and expenses of completing the Contract Work, including all performance costs of any nature plus a reasonable allowance for overhead and profit, and any damages, losses, expenses, attorneys' fees or costs, incurred by the District as a result of the termination of Contractor. If, after final payment to the District, the unpaid balance to Contractor exceeds the performance costs, overhead and profit, and any damages, losses, expenses, attorneys' fees or costs incurred by the District in completing the Contract Work, the District shall pay the difference to Contractor. If, after final payment to the District, the performance costs, overhead and profit, and any damages, losses, expenses, attorneys' fees or costs incurred by the District in completing the Contract Work exceeds the unpaid balance to Contractor, Contractor shall pay the difference to the District.

Termination for convenience: In addition to the District's right to terminate Contractor for breach or default, the District may terminate Contractor if the District determines that such termination is in the best interest of the Project. Upon such termination, Contractor shall be entitled to the reasonable, actual direct cost of satisfactorily completed Contract Work and materials purchased prior to termination, plus a single mark up of not more than an aggregate ten percent (10%) for provable overhead (including job site and home office) and provable profit on satisfactorily completed Contract Work, plus the reasonable out-of-pocket costs of terminating the Contract Work, less any amounts paid by the District, costs incurred by the District and back charges due to the District. Contractor shall not receive any compensation, overhead, or profit on Contract Work not completed or for materials not purchased. Provided, however, that the total sum to which Contractor may be entitled, including all prior payments made to or on behalf of Contractor, shall not exceed the Contract Price.

Remedy: If, after termination of Contractor, it is determined for any reason that Contractor was not in breach or default, Contractor's sole and exclusively remedy shall only be entitled to the amount due under the Agreement as if termination was for no-fault. Regardless of whether the termination for fault or no-fault, Contractor shall not be entitled to special, consequential or exemplary damages or lost profit on account of termination of Contractor.

The District may, whenever the interests of the District so require, terminate the Contract, in whole or in part, for the convenience of the District. The District will give written notice of the termination to the Contractor specifying the part of the Contract terminated and the date termination becomes effective. The Contractor shall incur no further obligations in connection with the terminated Contract Work, and, on the date set in the notice of termination, the Contractor shall stop Contract Work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated Contract Work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated Contract Work. The District may direct the Contractor to assign the Contractor's right, title, and interest under the terminated orders or subcontracts to the District. The Contractor must still complete the Contract Work not terminated by the notice of termination and may incur obligations as are necessary to do so. The District may require the Contractor to transfer title and deliver to the District, in the manner and to the extent directed by the District, the fabricated or un-fabricated parts, Contract Work in process, completed Contract Work, supplies, and other material produced or acquired for the Contract Work terminated and other property that, if the Contract had been completed, would be required to be furnished to the District. The Contractor shall, upon direction of the District, protect and preserve property in the possession of the Contractor in which the District has an interest. If the District does not exercise this right, the Contractor shall use its

best efforts to sell such supplies and manufacturing materials for the benefit of the District. If the parties are unable to agree on the amount of a termination settlement, the District will pay the Contractor the following amounts:

- a. For Contract Work performed before the effective date of termination, the total (without duplication of any items) of:
 - (i) the cost of Contract Work completed in accordance with the Plans and Specifications based on the quantity constructed and the Contract Unit Price or lump sum Bid price of the respective Bid item less prior progress payments, and any applicable Liquidated Damages and any other deductions or withholds to which the District may be entitled to in accordance with applicable law, including the amounts of outstanding Stop Notices or labor compliance notices to withhold shall be withheld until the Stop Notices or notices to withhold are resolved as provided by law.
 - (ii) The cost of settling and paying terminated subcontracts and orders that are properly chargeable to the terminated portion of the Contract Work; and
- b. The reasonable costs of effectuating the settlement of the Contract Work terminated, including:
 - (i) Accounting, clerical, and other expenses reasonably necessary for the preparation of termination settlement bids and supporting data;
 - (ii) The termination and settlement of subcontracts (excluding the amounts of such settlements); and
 - (iii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.

Termination for Improper Consideration: The District may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under the Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any District officer, employee or agent with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the District shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor. The Contractor shall immediately report any attempt by any District officer or employee to solicit such improper consideration. The report shall be made either to the District General Manager or Engineer. Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

MISCELLANEOUS PROVISIONS

1. **Independent Contractor.** Contractor is an independent contractor and not an employee of the District. Contractor shall have no authority to bind the District by any statement, representation, or promise of any kind or nature without first obtaining the District's written consent.
2. **Coordination with Owner (if not District).** Contractor shall not interfere with the District's relationship with the San Bernardino County Flood Control District and shall not deal directly with the such district or its representative without prior authorization in each instance from the District. The Contractor is hereby authorized to coordinate directly with the San Bernardino County Flood Control District to secure site access. Additionally, the Contractor is authorized to coordinate directly with the San Bernardino County Flood Control District to ensure diversion flows are maintained in the existing diversion canal as specified on Sheet C1 of the Plans under Construction Schedule Constraints.

3. **Authority.** The parties represent that they are authorized to enter into this Agreement and that the persons executing this Agreement on their behalf have the authority and capacity to do so.
4. **Interpretation and Construction.** This Agreement shall not be construed against any of the parties and the rule of construing contract ambiguities against the party drafting the contract shall be inapplicable.
5. **Effect of Headings.** The headings used in this Agreement are for convenience only and shall not affect the construction or interpretation this Agreement.
6. **Word Usage.** Unless the context clearly requires otherwise, plural and singular numbers will be considered to include the other; the masculine, feminine, and neuter genders will each be considered to include the others; “shall,” “will,” “must,” “agree,” and “covenants” are each mandatory; “may” is permissive; “or” is not exclusive; and “includes” and “including” are not limiting.
7. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties, supersedes all prior or contemporaneous oral or written agreements between the parties, and may only be amended by an instrument in writing executed by the parties.
8. **Successors and Assigns.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties.
9. **Counterparts.** This Agreement may be executed in counterparts, a facsimile of which shall be deemed an original, and all of which shall together be deemed one and the same instrument.
10. **Governing Law.** This Agreement shall be construed under, and governed by, the laws of the State of California.
11. **Severability.** If any provision of this Agreement is held to be invalid or unenforceable, such invalid or unenforceable provision(s) shall not affect the validity or enforceability of any other provision of this Agreement.

IN WITNESS WHEREOF, the parties to this Agreement have duly executed it effective on the date set forth above.

**San Bernardino Valley Water Conservation
District:**

CONTRACTOR:

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date of Execution: _____

Date of Execution: _____

BID PROPOSAL

For the

CONSTRUCTION OF

MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT

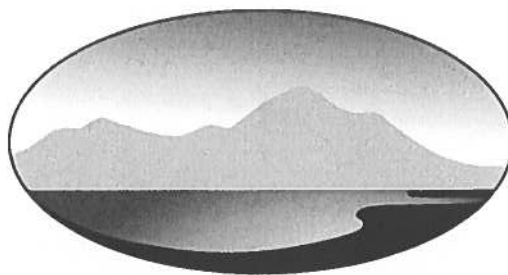
Within

Mill Creek east of Garnet Street

in the

unincorporated area of San Bernardino County, CA

Project No. SBVWCD – P003



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

BID PROPOSAL FORM

Proposal to
San Bernardino Valley Water Conservation District
For the construction of:
Mill Creek Diversion and Debris Management Improvement Project

Name of Bidder: Empire Equipment Service, Inc.

Business Address: P.O. Box 532, Mira Loma, CA 91752

Phone No: (951) 681-1345

To San Bernardino Valley Water Conservation District (District):

Pursuant to and in compliance with your Invitation to Bid and the other documents relating thereto, the undersigned, Bidder, being fully familiar with the terms of the Contract Documents, local conditions affecting the performance of the Contract, the character, quality, quantities, and the Scope of the Work, the cost of the Contract Work at the place where the Contract Work is to be done, hereby proposes and agrees to perform within the time stipulated in the Contract, including all of its component parts and everything required to be performed, and to furnish any and all of the labor, material, tools, equipment, transportation, services, permits, utilities, and all other items necessary to perform the Contract and complete in a workmanlike manner, all of the Work required in connection with the construction of said Work, all in strict conformity with the Bid Proposal Documents, including Addenda Nos. 1, 2, & 3, for the prices hereinafter set forth.

Bids delivered to the District at the time set for opening of Bids shall be irrevocable, and may not be withdrawn for a period of thirty (30) days after the date set for the opening of the bids except as noted in the Contract.

Schedule of Prices:

All applicable sales taxes, State and/or Federal and any other special taxes, patent rights, or royalties are included in the prices quoted in this Bid.

The quantities specified are the District's estimates and are approximate only, being given as a basis for the comparison of bids. The District does not, expressly or by implication, agree that the actual amount of work will correspond therewith.

Where unit prices are used, payment for each item will be based on the actual quantity of work performed times the item unit contract price. Determinations of the actual quantities and classifications of unit price work performed by the Contractor will be made by the District and may be more or less than the specified, estimated quantities. Unless otherwise indicated in the Bid Item Descriptions, the unit price shall be valid for actual quantities up to 25% more than or less than the bid quantity. Unit prices may be adjusted per Section 3.2.2 of the Standard Specifications.

The Total Bid provided in the bid proposal form will be used as one element for evaluation of proposals. Contractor's Statement of Qualifications will be used as the second element. The Contractor will be selected based on both elements, and the lowest Total Bid may not be selected.

All representations made by Bidder in this Bid are made under penalty of perjury.

BY: Joshua Steffy

TITLE: President

SIGNATURE: 

DATE: 6/29/23

BP 1

BID SCHEDULE

BID FORM: (Refer to Special Provisions for a more detailed description of items included under each of the following items)

MILL CREEK DIVERSION AND DEBRIS MANAGEMENT IMPROVEMENT PROJECT					
ITEM NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL
1	MOBILIZATION	1	LS	121,706.78	121,706.78
2	DEMOLITION (EXISTING WALLS, GATES AND CATWALK)	1	LS	20,830.69	20,830.69
3	DEMOLITION (EXISTING CONCRETE PCC SLAB & WALL FOOTINGS)	53	CY	143.32	7,595.96
4	DEMOLITION (EXISTING GROUTED ROCK)	410	SY	114.46	46,928.60
5	CLEAR AND GRUB	0.6	AC	15,144.98	9,086.99
6	SITE PREPARATION, BMPs, and SWPPP	1	LS	18,244.70	18,244.70
7	ONSITE MITIGATION MEASURES	1	LS	8,392.86	8,392.86
8	UNCLASSIFIED EXCAVATION	6745	CY	21.97	148,187.65
9	STRUCTURAL CONCRETE	76	CY	2,510.17	190,772.92
10	18 INCH PCC SLAB	60	CY	1,236.91	74,214.60
11	12 INCH PCC SLAB	113	CY	1,004.73	113,534.49
12	METAL CATWALK	213	SF	534.91	113,935.83
13	HANDRAIL	151	LF	193.55	29,226.05
14	ACCESS LADDER	6	LF	504.88	3,509.28
15	DIVERTER WALL STEEL PLATE	672	SF	126.28	84,860.16
16	GATE GRATE	15.2	SF	780.72	11,866.94
17	TRASH RACK BARRIER	1	EA	44,967.09	44,967.09
18	INSTALL 5' x 5' SLIDE GATES	2	EA	9,647.57	19,295.14
19	INSTALL 17' x 5' SLIDE GATE	1	EA	24,613.20	24,613.20
20	RIPRAP CONCRETE	430	CY	452.82	194,712.60
21	3/8 INCH CRUSHED AGGREGATE BASE	35	CY	332.30	11,630.50
22	GROUTED RIPRAP, (CLASS IV MODIFIED)	720	CY	18.48	13,305.60
23	LOCAL ROCK, (CLASS V)	540	CY	36.23	19,564.20
24	RIPRAP TOEDOWN, (CLASS III MODIFIED)	620	CY	28.00	17,360.00
25	1/2 TON RIPRAP, (CLASS VII)	125	CY	39.13	4,891.25

The Total Bid shall be generated from the above bid items by adding together the total amount for each bid item, in accordance with the requirements of the Contract, see Attachment C. The sum of all the bid item amounts shall be the bidder's bid and inserted, both in words and numerically, in this section.

\$ 1,353,234.08

Total Bid Schedule written in words:

ONE MILLION THREE HUNDRED FIFTY THREE THOUSAND TWO HUNDRED THIRTY FOUR AND EIGHT CENTS.

LIST OF SUBCONTRACTORS

The Bidder shall list below the name and the location of the place of business of each subcontractor who will perform work or labor or render service to the Contractor in or about the construction of the Contract Work on the Project, , or a subcontractor licensed by the State of California who, under subcontract to the Contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of one percent of the Contractor's total bid. The Bidder shall also list below the portion of the work that will be done by each subcontractor. The Contractor shall list only one subcontractor for each portion as is defined by the Contractor in his or her bid. Failure to list subcontractors with portions of the work in excess of the minimum amounts listed above constitutes a declaration by the Contractor that it is qualified and able to self-perform the work. Any Contractor found to be unqualified or unable to self-perform any part of the work not listed below may be disqualified.

Work to be Performed	Subcontractors License Number	Percent of Total Contract	Subcontractor's Name and Address
1. <u>REBAR</u>	<u>533729</u>	<u>6%</u>	<u>INTEGRITY REBAR PLACERS 1345 NANDINA AVE, PERRIS, CA 92571</u>
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____

Note: Attach Additional Sheets If Required and DIR Registration Number for Bidder and all subcontractors is required

BIDDER INFORMATION SHEET AND STATEMENT OF QUALIFICATIONS

Bidder's General Information and Statement of Experience:

The Bidder shall furnish the following information. Additional sheets shall be attached as required. Failure to complete Item Nos. 1 through 7, at the time of bid submittal will cause the bid to be non-responsive and may cause its rejection. Bidders shall submit Item No. 8 if requested by the District prior to award of contract. No award will be made until all of the Bidder's General Information (i.e., Items 1 through 7, inclusive Item 8, if requested) is delivered to and accepted by the District.

(1) Contractor's Name and Address:

Empire Equipment Service, Inc.

P.O. Box 532, Mira Loma, CA 91752

(2) Contractor's Telephone Number: (951) 681-1345

(3) Contractor's License: Primary Classification A, General Engineering

State License No. 876696

Expiration Date: 4/30/24

Supplemental Classifications held, if any: C61 / D56

Name of Licensee, if different from (1) above:

N/A

(4) Name of person who inspected site or proposed Work for your firm:

Name: Gio Marquez Date of Inspection: 6/13/23

(5) Name, address, and telephone number of surety company and agent who will provide the required bonds on this contract:

Great American Insurance Companies, (949) 679-2218

750 The City Drive South, Suite 470, Orange, CA 92868

Bidder's General Information and Statement of Experience Continued on next page

RESUME

Professional Profile

I am an experienced underground pipeline and grading professional with strong leadership and relationship-building skills. My professional experience includes owning a local small construction business and a total of more than 28 years experience with developers, suppliers and public agencies primarily in the San Diego County area.

Qualifications

- Project management
- Bid review and estimate
- Contract negotiation
- Project scheduling
- Heavy equipment operator
- Material ordering from suppliers
- Traffic Control setup
- Erosion Control deployment
- Field Crew management
- Maintaining client and supplier relationships
- Local inspector relationships
- Equipment maintenance
- Employee recruiting

Relevant Experience

Project Management

- Maintained working relationships with clients, agency personnel, vendors, suppliers and sub-contractors from bidding, winning, scheduling and constructing a variety of underground utility and grading projects. Responsible to review and approve all project related invoices from vendors, suppliers and sub-contractors.

Supervision

- Supervised field crews varying in size from 3 to 30 people depending on the size of the contract.

Marketing & Sales

- Primary marketing and sales for my own construction business (owner/operator).
- Primary marketing and sales for a private development firms.

Equipment Operator

- Talented operator of a variety of heavy equipment used for grading and underground pipeline construction projects.

Experience

Vice President of Operations / *Empire Equipment Service* – Mira Loma, CA

July 2016 - Present

In charge of all field employees and operations. In charge of overseeing multi-million dollar grading and underground projects in Southern California area. Responsible for day to day field crew logistics depending on the project needs, scheduling, plan review, training foremen, job coordination with other on-site trades, attend weekly project team/owner/developer coordination meeting. Assist job foreman's

with project approach and performance to ensure projects are kept within the bid budget and follow all safety procedures

Superintendent / LB3 Enterprises, Inc. – Lakeside, CA

2012-July 2016

In charge of overseeing multi-million dollar grading and underground projects in San Diego County area. Responsible to review plans and specifications of each project and insure field crews understand their job tasks on a daily basis. Assist job foreman's with project approach and performance to make certain projects are kept within the bid budget and follow all safety procedures. Participate in pre-con meetings and owner/developer meetings to review project scheduling and milestones.

Self employed Owner / Operator - Hidden Rock Enterprises – Lakeside, CA

2003 to 2012

Operate and maintain excavators; rubber tired backhoe, skid steer, dozer, 10 wheel dump truck, water truck, mini-excavator, bobcat and breaker. Projects included public and private construction of water mains and services; sewer mains and laterals; storm drain mains and structures; septic systems; site grading; retaining walls; fire services, site demolition, parking lot improvements, street improvements, drainage swales, slopes, fire roads, erosion control deployment and much more.

Superintendent / Ratislaw and CLCI, Inc. – El Cajon, CA

2000-2003

Projects included private and public improvement and grading throughout San Diego County. Also managed several end dumps and dump trucks with drivers contracted with other local construction firms.

Project Foreman / Sherwood Mechanical, Inc. – Poway, CA

1998-2000

Projects included public underground utilities for several public agencies in San Diego County.

Project Foreman / TC Construction, Inc. – Santee, CA

1993-1998

Projects included public underground utilities for several public agencies in San Diego County.

Heavy Equipment Operator / TC Construction, Inc. & Ham Brothers, Inc.

1987-1993

Lead excavator operator for underground utility projects for private developers and public agencies throughout southern California.

Bidder's General Information and Statement of Experience Cont.

- (6) **Statement of Experience:** List three projects completed as of recent date involving work of similar complexity and cost. Of the three (3) projects, two (2) must show experience involving stream restoration in an environmentally sensitive habitat.

Project	Contract Price	Name, address, telephone # of OWNER
1. Murrieta Creek Sediment Removal, Phase I and Phase II W912PL20B0012	\$2,346,994.23	USACE, Los Angeles 915 Wilshire Blvd., Suite 903 Los Angeles, CA 90017 Peter Gauer, (949) 212-7480 E. Peter.A.Gauer@usace.army.mil
2. Structural Flood Mitigation (Cottonwood) 140P2021C0066	\$6,600,000.00	National Park Services 12795 W. Alamend Pkwy PO Box 25287 Denver, CO 80225 Sharon Miner, (303) 969-2516
3. Corona SARM Lower Santa Ana Phase 5B W912PL20C0037	\$6,200,000.00	USACE, Los Angeles 915 Wilshire Blvd., Suite 903 Los Angeles, CA 90017 Peter Gauer, (949) 212-7480 E. Peter.A.Gauer@usace.army.mil
4.		
5.		

- (7) The resume of the person who will be designated chief construction superintendent or on-site construction manager. **SEE ATTACHED.**
- (8) A financial statement, references, and other information, sufficiently comprehensive to permit an appraisal of Contractor's current financial condition. **SEE ATTACHED.**

CONTRACTOR'S AFFIDAVIT OF NON-COLLUSION FORM

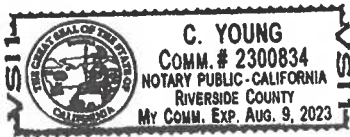
NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID

State of California {} SS.
County of San Bernardino

Joshua Steffy, being first duly sworn, deposes and says that he or she is President of Empire Equipment Service, Inc. the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid."

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Subscribed at:

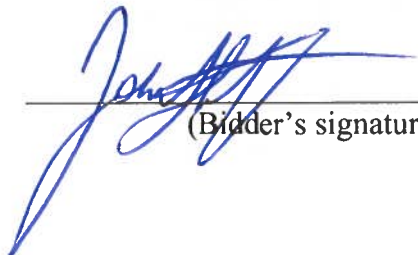


Riverside Riverside CA
(City) (County) (State)

on June 29 20 23
(Date)

NOTARY TO AFFIX SEAL
AND CERTIFICATE OF
ACKNOWLEDGMENT

Empire Equipment Service, Inc.
(Bidder's name)


(Bidder's signature)

ALL-PURPOSE ACKNOWLEDGMENT

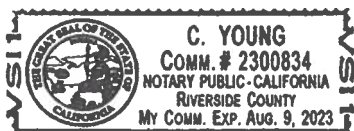
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
 County of Riverside } SS.

On 02/29/2023, before me, C. Young, Notary Public,

personally appeared Joshua Steffy, who proved to me on the

basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

C. Young
 NOTARY'S SIGNATURE

PLACE NOTARY SEAL IN ABOVE SPACE

OPTIONAL INFORMATION

The information below is optional. However, it may prove valuable and could prevent fraudulent attachment of this form to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

- INDIVIDUAL
- CORPORATE OFFICER _____ TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- GUARDIAN/CONSERVATOR
- SUBSCRIBING WITNESS
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

 TITLE OR TYPE OF DOCUMENT

 NUMBER OF PAGES

 DATE OF DOCUMENT

SIGNER (PRINCIPAL) IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

RIGHT
 THUMBPRINT
 OF
 SIGNER

OTHER

Top of thumbprint here

ADDENDUM NO. 1

June 15, 2023

Page 1 of 1

ADDENDUM NO. 1
MILL CREEK DIVERSION AND DEBRIS
MANAGEMENT IMPROVEMENT PROJECT
Within Mill Creek east of Garnet St in the City of Redlands, CA
Project No. SBVWCD – P003

Emailed via BidNet Direct or Facsimile

Amend Entire Notice Inviting Bids as follows:

1. Remove unincorporated area of San Bernardino County, CA and replace with City of Redlands, CA

Amend the Special Provisions as follows:

1. Section 2-2 Permits, page SP 2

Last paragraph, ADD: Start of SBKR fencing installation shall occur within 5 days of Notice to Proceed (NTP). Fence installation shall not be counted as working days.

2. Section 3-12.7.1 General, item 10, page SP 8

ADD: Motorized equipment may be parked in areas designated on the Equipment Storage Detail.

3. Section 3-12.7.1 General, item 25, page SP 10

ADD: SBKR fencing may be installed with rubber tire equipment and may require hand installation in certain areas.

4. INSERT

attached Equipment Storage Detail following Staging Area Detail

The addition of these requirements shall be considered in concert with existing documents in preparation of bids. **THE BIDDER'S CERTIFICATION FOR THIS ADDENDUM NO. 1 SHALL BE SIGNED BY THE SAME PERSON WHO SIGNS THE PROPOSAL AND SHALL BE SUBMITTED WITH THE PROPOSAL.** Any proposal not accompanied by the signed **BIDDER'S CERTIFICATION** (below) acknowledging receipt of this Addendum No. 1 will NOT be accepted.



Erwin Fogerson, PE Senior Engineer

Attachments: Equipment Storage Detail

BIDDERS CERTIFICATION

By my signature hereunder, I acknowledge receipt of Addendum No. 1 and I fully understand the intent and detail of Addendum No. 1, which I have considered in my preparation of the attached proposal.



Bidder's Signature

6/29/23

Date

Note: The page containing the executed BIDDER'S CERTIFICATION (just this page), must be included with the proposal.

ADDENDUM NO. 1

June 21, 2023

Page 1 of 1

ADDENDUM NO. 2

**MILL CREEK DIVERSION AND DEBRIS
MANAGEMENT IMPROVEMENT PROJECT**

Within Mill Creek east of Garnet St in the City of Redlands, CA

Project No. SBVWCD – P003

Emailed via BidNet Direct or Facsimile

Amend the Special Provisions as follows:

1. Section 3-12.7.1 General, item 25, page SP 10

REMOVE: furbish.

2. Section 3-12.7.1 General, item 25, page SP 10

ADD: The District shall provide used ANIMEX fencing with the required stakes and connectors. Used fencing is various increments from 10ft to full rolls. Contractor is required to pick up and return the fencing from the District's yard at 2181 Mentone Blvd Mentone, CA.

The addition of these requirements shall be considered in concert with existing documents in preparation of bids. **THE BIDDER'S CERTIFICATION FOR THIS ADDENDUM NO. 1 SHALL BE SIGNED BY THE SAME PERSON WHO SIGNS THE PROPOSAL AND SHALL BE SUBMITTED WITH THE PROPOSAL.** Any proposal not accompanied by the signed **BIDDER'S CERTIFICATION** (below) acknowledging receipt of this Addendum No. 1 will NOT be accepted.



Erwin Fogerson, PE Senior Engineer

Attachments: **Equipment Storage Detail**

BIDDERS CERTIFICATION

By my signature hereunder, I acknowledge receipt of Addendum No. 1 and I fully understand the intent and detail of Addendum No. 1, which I have considered in my preparation of the attached proposal.



Bidder's Signature

6/29/23

Date

Note: The page containing the executed BIDDER'S CERTIFICATION (just this page), must be included with the proposal.



San Bernardino Valley
Water Conservation District
Helping Nature Store Our Water

Thank you for your interest in our bid opportunities and we welcome you to submit a response. Please be sure to review and comply with all specifications and requirements.

Addendum Description

Addition of Engineers Estimate Range

Notice Modifications

Notice Information	From Value	To Value
English Additional Pricing Information	--	Engineers Estimate Range: \$1 million - \$1.5 million

Category Modifications

Added Categories
No Categories Added

Removed Categories
No Categories Removed

X 

DATE : 6/29/23



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Memorandum No. 1950

To: Board of Directors

From: Betsy Miller, General Manager

Date: July 12, 2023

Subject: Amendment 3 to the Mill Creek Groundwater Recharge Facility Operations & Maintenance Permitting Professional Services Contract Award

RECOMMENDATION

Staff recommends that the Board amend the Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting Professional Services Contract with AECOM to authorize 1) New Task 15A Habitat Suitability Assessment, 2) Optional Task 15B Small Mammal Trapping, 3) New Task 15C Small Mammal Report, 4) Optional Task 16 Small Mammal Avoidance and Minimization Plan, and 5) New Task 17 Small Mammal Report for a total cost of \$56,733 to fulfill permit requirements from California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 and U.S. Army Corps of Engineers 408 Permission Number SPL-408-2018-030 in support of the Mill Creek Diversion and Debris Management Improvement Project.

BACKGROUND

On November 10, 2021, the Board approved the Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting Professional Services Contract with AECOM to evaluate the need for and obtain, where necessary, permits from the Regional Water Quality Control Board (RWQCB), California Department of Fish and Wildlife (CDFW), U.S. Army Corps of Engineers (USACE), and U.S. Fish and Wildlife Service (USFWS) for continued operation and maintenance of these facilities. During presentation of the item, staff noted that several optional tasks were included in the project proposal which would only be authorized if necessary to respond to specific information requests from the permitting agencies. Subsequently, two amendments to these contracts were approved: 1) On February 9, 2022, the Board approved Amendment 1 to this contract to authorize Optional Task 3f to conduct a long-term wetland study at the Mill Creek spreading grounds in order to respond to comments received from the Santa Ana Regional Water Quality Control Board regarding to our ability to utilize a permitting exemption for groundwater recharge facilities; 2) On March 9, 2022, the Board approved Amendment 2 to this contract to authorize 1) Optional Task 1c, San Bernardino Kangaroo Rat Survey, 2) Optional Task 1d, Least Bell's Vireo Survey, and 3) New Task 11, Permitting Support for the Mill Creek Flow Meter Installation Project.

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

Contract	Approval Date	Project	Cost
Original Contract	November 10, 2021	Mill Creek Operations Permits	\$250,186
Amendment 1	February 9, 2022	Mill Creek Operations Permits	\$12,552
Amendment 2	March 9, 2022	Mill Creek Operations Permits North Canal Flow Meter Permits	\$63,282.50
Amendment 3	N/A	Mill Creek Diversion Permit Compliance	\$91,733

On June 29, 2023, the District received the updated draft Streambed Alteration Agreement from the California Department of Fish and Wildlife Service for the Mill Creek Diversion and Debris Management Improvement Project. The purpose of the Mill Creek Diversion and Debris Management Improvement Project (Project) is to modify the existing upper diversion inlet at the San Bernardino Valley Water Conservation District’s Mill Creek Groundwater Recharge Facility to improve management of debris and creek bed sediments. The project was designed by CWE Engineering and has undergone an extensive permitting process that included both 404 and 408 permits from the Army Corps of Engineers, a 401/WDR permit from the Regional Water Quality Control Board, an encroachment permit from San Bernardino County Flood Control, and a Lake and Streambed Alteration Agreement from the California Department of Fish and Wildlife. The District seeks to retain AECOM’s services for fulfilment of Conditions 2.7.1, 2.7.3, 4.4 and 4.5 of the Streambed Alteration Agreement, as well as Condition BIO-2 of the U.S. Army Corps of Engineers’ 408 Permission for the same project.

DISCUSSION

The proposed contract amendment includes tasks required to fulfill certain requirements of California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 and U.S. Army Corps of Engineers 408 Permission Number SPL-408-2018-030 in support of the Mill Creek Diversion and Debris Management Improvement Project. This work includes a habitat assessment, sign search, protocol surveys (if needed), and associated reporting by a biologist permitted to survey for San Bernardino kangaroo rat by the California Department of Fish and Wildlife and the U.S. Fish and Wildlife Service, including: 1) New Task 15A Habitat Suitability Assessment, 2) Optional Task 15B Small Mammal Trapping, 3) New Task 15C Small Mammal Report, 4) Optional Task 16 Small Mammal Avoidance and Minimization Plan, and 5) New Task 17 Small Mammal Report. Optional tasks may be required based on the results of surveys conducted as part of New Task 15A.

In addition, Optional Task 18 includes support and/or preparation of a Sediment Transport Management Plan to fulfill Condition 4.6 of the Streambed Alteration Agreement. The engineering team is researching 1) the need for a Sediment Transport Management Plan given the nature of the project and, if needed, 2) the ability to utilize work prepared for other projects and/or permit requirements such as the sediment transport study being conducted for the Mill Creek PERC project and the Mill Creek Diversion’s Stormwater Pollution Prevention Plan in order to significantly limit the time and costs associated with fulfilling this permit requirement. Pending the results of this research, Optional Task 18 includes full preparation of the Sediment Transport Management Plan by AECOM prior to the start of construction as required by the permit condition.

Details of each task are included in Attachment A.

FISCAL IMPACT

Approval of the recommended action would result in expenditure of up to \$91,733 from Capital GL 7151 Mill Creek Division Project:

- New Task 15A Habitat Suitability Assessment - \$5,187.76
- Optional Task 15B Small Mammal Trapping - \$27,450.84
- New Task 15C Small Mammal Report - \$7,554.56
- Optional Task 16 Small Mammal Avoidance and Minimization Plan - \$11,761.36
- New Task 17 Small Mammal Report - \$4,777.76
- Optional Task 18 Sediment Transport Monitoring Plan - \$35,000

Costs for New Tasks 15A, 15C, and 17 total \$17,520.08, while Optional Tasks 15B, 16, and 18 total \$74,212.92. In accordance with the existing contract, all work will be performed on a time-and-materials basis. Altogether, this action would bring the total expenditure for this project to \$417,753.50.

POTENTIAL MOTIONS

1. Approve the amendment to the Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting Professional Services Contract with AECOM to authorize 1) New Task 15A Habitat Suitability Assessment, 2) Optional Task 15B Small Mammal Trapping, 3) New Task 15C Small Mammal Report, 4) Optional Task 16 Small Mammal Avoidance and Minimization Plan, and 5) New Task 17 Small Mammal Report for a total cost of \$56,733 to fulfill permit requirements from California Department of Fish and Wildlife Streambed Alteration Agreement EPIMS-SBR-38698-R6 and U.S. Army Corps of Engineers 408 Permission Number SPL-408-2018-030 in support of the Mill Creek Diversion and Debris Management Improvement Project.
2. Refer the item back to the Operations Committee for additional consideration.
3. Provide other directions to staff.

ATTACHMENTS

Attachment A – Scope of Work for Amendment No. 3 to Contract Services Agreement for Expert Consultant Services for Mill Creek Groundwater Recharge Facility Operations and Maintenance Permitting dated July 5, 2023.

ATTACHMENT A
AMENDMENT No. 3
to
CONTRACT SERVICES
AGREEMENT FOR EXPERT
CONSULTANT SERVICES
MILL CREEK GROUNDWATER RECHARGE FACILITY OPERATIONS AND
MAINTENANCE PERMITTING (AECOM Project No. 60675225)
July 5,
2023

AECOM Technical Services, Inc. (AECOM) is currently providing expert consultant services to the San Bernardino Valley Water Conservation District (Conservation District) in support of the Mill Creek Groundwater Recharge Facility Operations and Maintenance. The Conservation District requested a scope and cost for an evaluation of a 0.53 acre site and associated access route (approximately 0.75 miles in length) located within the Mill Creek Groundwater Recharge Facility following the conditions outlined in the Streambed Alteration Agreement (SAA) and U.S. Army Corps of Engineers (USACE) Section 408, associated with the Mill Creek Diversion Debris Management Improvement Project (Project). The Project proposes to reconstruct an existing diversion structure that consists of four slide gates, a concrete inlet channel, concreted rock outlet channel, and mounded earth/rock containment berms. Proposed improvements include creating a sediment bypass channel with a slide gate immediately upstream of the existing gate structure, which would be used to control outflow from this channel. As specified in Conditions 2.7.1, 2.7.3, 4.4, and 4.5 of the SAA, a small mammal habitat suitability assessment and subsequent small mammal trapping (if determined appropriate based on the habitat assessment) must be conducted within the 0.53 acre Project footprint and within 6 months of Project start; the results are to be presented in a Small Mammal Report. If Los Angeles pocket mouse (LAPM; *Perognathus longimembris brevinasus*), a California Department of Fish and Wildlife (CDFW) species of special concern, is detected, then preparation of a Small Mammal Avoidance and Minimization Plan (SMAMP) will be required as well. Per the Special Conditions as outlined in the USACE 408, BIO-2 requires that a pre-construction survey focusing on the state and federally endangered San Bernardino kangaroo rat (SBKR; *Dipodomys merriami parvus*), be performed within the 0.53 Project footprint and associated access route. Both the SAA and the USACE 408 require that survey results be summarized in an associated report and presented to the appropriate agencies for review.

Task 15 – Small Mammal Habitat Suitability Assessment and Trapping (SAA Conditions 2.7.1 and 4.4)

- **Task 15A – Habitat Suitability Assessment (SAA Condition 2.7.1)**

AECOM will provide a qualified biologist to conduct a habitat suitability assessment within the 0.53 acre Project footprint and associated access route (approximately 0.75 miles in length); focusing on SBKR and other small mammal species of special concern likely to inhabit the site (e.g., LAPM). The qualified biologist will hold the appropriate authorizations for SBKR (i.e., CESA permit under Fish and Game Code section 2081, subdivision (a)) and LAPM (i.e., Scientific Collecting Permit [SCP]). During the habitat suitability assessment, the qualified biologist will record small mammal sign including tail drags, seed caches, dust baths, scat, and burrows.

- **Task 15B – Small Mammal Trapping (Optional; SAA Condition 2.7.1)**

If results of the habitat suitability assessment described in under Task 15A conclude the potential presence of small mammal species (specifically SBKR and/or LAPM), a qualified biologist will implement a trapping survey prior to any ground disturbance within the 0.53 acre Project footprint to determine presence or absence of SBKR and LAPM. A combination of 9- and 12-inch Sherman live traps will be used for this effort. Traps will be placed throughout areas of suitable habitat in the above- mentioned Project footprint and spaced approximately every 5 to 10 meters. Biologists will lightly scuff the surface of the ground where each trap is placed to provide a level surface on which to rest the trap. Prior to setting a trap, the trap treadle will be adjusted to best capture both SBKR and LAPM. The traps will be baited with either oats or a combination of bird seed consisting of millet, sunflower seed, dried raisins, sorghum, and cracked corn. If bird seed is used, the mixture will be baked in an oven at 350 degrees for 15 minutes to kill the seed and prevent the unwanted introduction of new plant species. Each trap will be marked with colored flagging, and the ends of each trapping line will be double flagged to indicate the end of the trap line. Each trapping line will be recorded with a GPS unit and flagged transects representing survey effort will be photographed. If ants are detected within or adjacent to traps, the traps will be moved to a new location free of ants. Traps will be opened and baited in the late afternoon hours and checked at midnight and closed early the following morning, after the morning trap check. Traps will be kept closed during the day to prevent small mammals from becoming trapped during the heat of the day or for excessively long periods of time.

When a small mammal is captured in a trap, it will be identified to species and then released at the point of capture. If possible, the age of the animal will also be recorded. Small mammals will not be permanently marked but may be temporarily marked by using sharpie on the ventral side pelage in order to allow for an estimation of the minimum number of captures during the trapping period.

Live trapping surveys for SBKR and LAPM requires up to 5 nights trapping to confirm presence or absence, conducted when the species are active, when air temperature lows are above 50 degrees Fahrenheit, and not during inclement weather (rain, heavy ground fog, extreme wind). If the species are captured before

the final night of trapping, the site will be considered occupied and trapping may be terminated ahead of schedule.

Data will be recorded electronically on iPads or other devices enabled with GPS, using software such as ArcGIS Field Maps or Fulcrum, with built-in data quality controls. Data to be recorded include surveyor information, survey date, time, weather, survey area, and several parameters for each detection (e.g., species, age, sex, reproductive status).

- **Task 15C – Small Mammal Report (SSA Condition 4.4)**

No less than 30 days prior to the start of Project activities, the results of the habitat suitability assessment and, if applicable, a small mammal focused survey report will be submitted to CDFW for review. The Small Mammal Report will include the location of suitable habitat, survey protocol referenced, trap locations, weather and number of nights of trapping, and the number, sex, age class, and capture/recapture information. AECOM will prepare this Small Mammal Report and submit it to the Conservation District for one round of review/comment. AECOM will submit the final Small Mammal Report to the CDFW for review as required per the SAA.

Assumptions

- A 15-day notification will be prepared by the qualified biologist and provided to the appropriate agencies following completion of the habitat assessment and prior to the trapping survey. Trapping will occur no sooner than 15 days following notification submission.
- Up to 100 traps will be set for the trapping effort.
- Up to one 5-night trapping session will be conducted. If SBKR and/or LAPM are captured/detected prior to the fifth night of trapping, the trapping effort may be terminated.
- For safety purposes, a team of two biologists (including a qualified biologist and assistant biologist) will conduct the habitat assessment and trapping effort.
- Trapping will occur within the 0.53 acre Project footprint, only. No trapping will occur within the limits of the access routes. Any burrows detected within the access road during the habitat will be flagged for avoidance, if feasible.
- If it is determined through Task 15B that the Project footprint is occupied by SBKR, take authorization will be required under CESA and agency consultation will be required prior to initiation of Project activities and/or any trapping relocation program. AECOM services to support this effort are not included in this scope of work but can be provided through a change order if requested.
- The draft Small Mammal Report will be submitted to the Conservation District for one round of review/comment and to CDFW for one round of review/comment.
- All deliverables will be submitted electronically; no hard copies will be provided.

Optional Task 16 – Small Mammal Avoidance and Minimization Plan (SSA Condition 4.5)

If it is determined through trapping efforts that LAPM are present within the 0.53 acre Project footprint, AECOM will prepare a Small Mammal Avoidance and Minimization Plan (SMAMP) specific to this species. Within the document, AECOM will outline actions and measures to avoid and minimize impacts to LAPM. The SMAMP will detail trapping methodology and will address the topics outlined in the SSA Condition 4.5, as needed. Given the overall small Project footprint size and the abundance of surrounding suitable habitat, AECOM assumes an in-depth relocation/translocation effort will not be required for this specific Project and that all captured individuals can be moved immediately outside of the limits of work/exclusionary fencing while remaining within their home ranges. Therefore, there will not be a need for a detailed translocation effort that includes genetic sampling or long-term monitoring. AECOM will prepare the SMAMP and submit it to the Conservation District for one round of review/comment. Following finalization of the document, AECOM will submit the SMAMP to CDFW for review and approval no less than 45 days prior to commencement of Project activities.

Assumptions

- Implementation of the SMAMP is not included in this scope of work.
- The draft SMAMP will be submitted to the Conservation District for one round of review/comment and CDFW for one round of review/comment.
- All deliverables will be submitted electronically; no hard copies will be provided.

Task 17 – SBKR Pre-construction Survey and Report (USACE 408 Special Conditions BIO-2)

A qualified biologist will perform a pre-construction survey for SBKR sign within the designated access routes and Project footprint immediately prior to ground disturbing activities per Special Condition BIO- 2 as stated in the USACE 408. The methodology described above in Task 15A is applicable to this effort; therefore, field surveys associated with Task 15A and Task 17 will be conducted simultaneously and no additional cost for completion of the pre-construction survey is accounted for under Task 17. As required under BIO-2, the qualified biologist will mark all potentially affected small mammal burrows with pin flags so that each marked location can be avoided by approximately 15 feet.

The results of the pre-construction survey will be summarized in a report immediately following the survey effort. The SBKR Pre-construction Survey Report will include information regarding the survey methodology and survey results (including habitat quality and SBKR sign) and will be submitted to the Conservation District for one round of review/comment. AECOM will submit the final SBKR Pre- construction Survey Report to the USACE and U.S. Fish and Wildlife Service for review as required per the USACE 408.

Assumptions

- In the event SBKR sign is detected, ground disturbing activities cannot commence

and the USACE would request initiation of formal consultation. AECOM services to support this effort are not included in this scope of work but can be provided through a change order, if requested.

- For safety purposes, a team of two biologists (including a qualified biologist and assistant biologist) will conduct the pre-construction survey. Surveys will be performed concurrently with Task 15A.
- The draft SBKR Pre-construction Survey Report will be submitted to the Conservation District for one round of review/comment and to USACE and USFWS for one round of review/comment.
- All deliverables will be submitted electronically; no hard copies will be provided.

Optional Task 18 – Sediment Transport Monitoring Plan (SAA Condition 4.6)

AECOM will provide qualified staff to prepare a Sediment Transport Monitoring Plan (STMP) that meets the requirements of the California Department of Fish and Wildlife, including: (1) measurements of the topographic complexity through the use of cross-sections and longitudinal profiles, by topographic maps, and/or by a digital elevation model (DEM) for streambank heights and relationship with geomorphic bankfull, widening and shallowing of channel cross-section; (2) an inventory of species and habitat types to determine specific habitat needs, including targeted areas where sediment may need to be placed (i.e. terrace erosion, creation of terraces, etc.); (3) methods of sediment stockpile removal/placement to enhance the topographic complexity within the channel, and to encourage natural restoration of self-sustaining geomorphic features and associated habitats; (4) an analysis of the watershed condition and resultant hydrology and sediment load following each maintenance activity; and (5) photographs and GIS shapefiles of vegetation communities and geographic features (e.g. high/low flow, terraces, etc.) of different hydrological interval events.

Assumptions

- The draft STMP will be submitted to the Conservation District for one round of review/comment and to CDFW for one round of review/comment.
- All deliverables will be submitted electronically; no hard copies will be provided.

SCHEDULE

AECOM can begin work for the services covered under Contract Amendment No. 3 immediately following authorization from the Conservation District to proceed. AECOM anticipates the work will be conducted over an approximately 3-month period.

COST ESTIMATE AND PAYMENT

AECOM's cost estimate for this proposed scope of work is \$91,732.28. Work will be completed on a time- and-materials basis in accordance with our existing contract terms and conditions.



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Memorandum No. 1951

To: Board of Directors

From: Betsy Miller, General Manager

Date: July 12, 2023

Subject: Equalization and Closing Costs Payments for Wash Plan Land Exchange

RECOMMENDATION

Staff recommends that the Board authorize the General Manager to expend \$70,000 in equalization payments for the Wash Plan land exchange; and up to \$35,000 in fees associated with the processing and final documentation of the Wash Plan land exchange to the Bureau of Land Management or title, escrow, or other involved party.

BACKGROUND AND DISCUSSION

On July 8, 2020, the Board approved the Upper Santa Ana River Wash Habitat Conservation Plan, which includes a land exchange with BLM as a key implementing action (see Sections 1.1.3 and 3.2.2). In support of Wash Plan implementation, the John D. Dingell, Jr. Conservation, Management, and Recreation Act (Public Law 116-9), signed by President Trump on March 12, 2019, also dictates this exchange. Upon execution, the exchange will transfer 369 acres (including 59 acres of the equalization parcel) from the District to BLM and 417.5 acres from BLM to the District (including 90 acres of the equalization parcels; see Attachment 1).

Based on the appraisal deemed complete on June 3, 2022, the value of all District parcels contemplated for exchange (including equalization parcels) was determined to be \$640,000. The value of all BLM parcels contemplated for exchange (including equalization parcels), was fixed at \$710,000. The appraised value difference in the primary exchange parcels was \$63,000, with the District's land deemed the higher value, which requires use of the equalization parcels to equalize values (see Table 1). In order to limit delays associated with lot splitting, the parties agreed to the full transfer of all existing equalization parcels. Due to these factors, the District will pay the \$70,000 difference to the BLM to complete the transfer.

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

No.	BLM Case File No.	Parcel	Acres	Opinion of Market Value
1 (BLM Property Transferring to District)	CACA 053257 FD	1, 2, & 3	327.5	\$557,000
2 (BLM Equalization Parcel 1)	CACA 053257 FD	Equalization Area 1	80	\$136,000
3 (BLM Equalization Parcel 2)	CACA 053257 FD	Equalization Area 2	10	\$17,000
4 (District Property Transferring to BLM)	CACA 053257 PT	1, 2	310	\$620,000
5 (District Equalization Parcel)	CACA 053257 PT	Equalization 1	59	\$20,000

The BLM advises us that the land exchange could be completed as early as the end of this month. Staff therefore seeks authorization to expend these funds as needed to ensure a timely exchange. In addition, staff requests authorization to expend up to \$35,000 to cover potential processing costs and fees related to title insurance, deed preparation and other closing costs, and other potential contingent expenses that may arise in connection with the transactional aspects of the transfer.

FISCAL IMPACT

Approval of this item would result in expenditure of \$70,000 for the equalization parcel payment and up to \$35,000 for processing fees and other costs associated with completing the land exchange, for a total of \$105,000 from GL 7120 Property-Land Purchase.

POTENTIAL MOTIONS

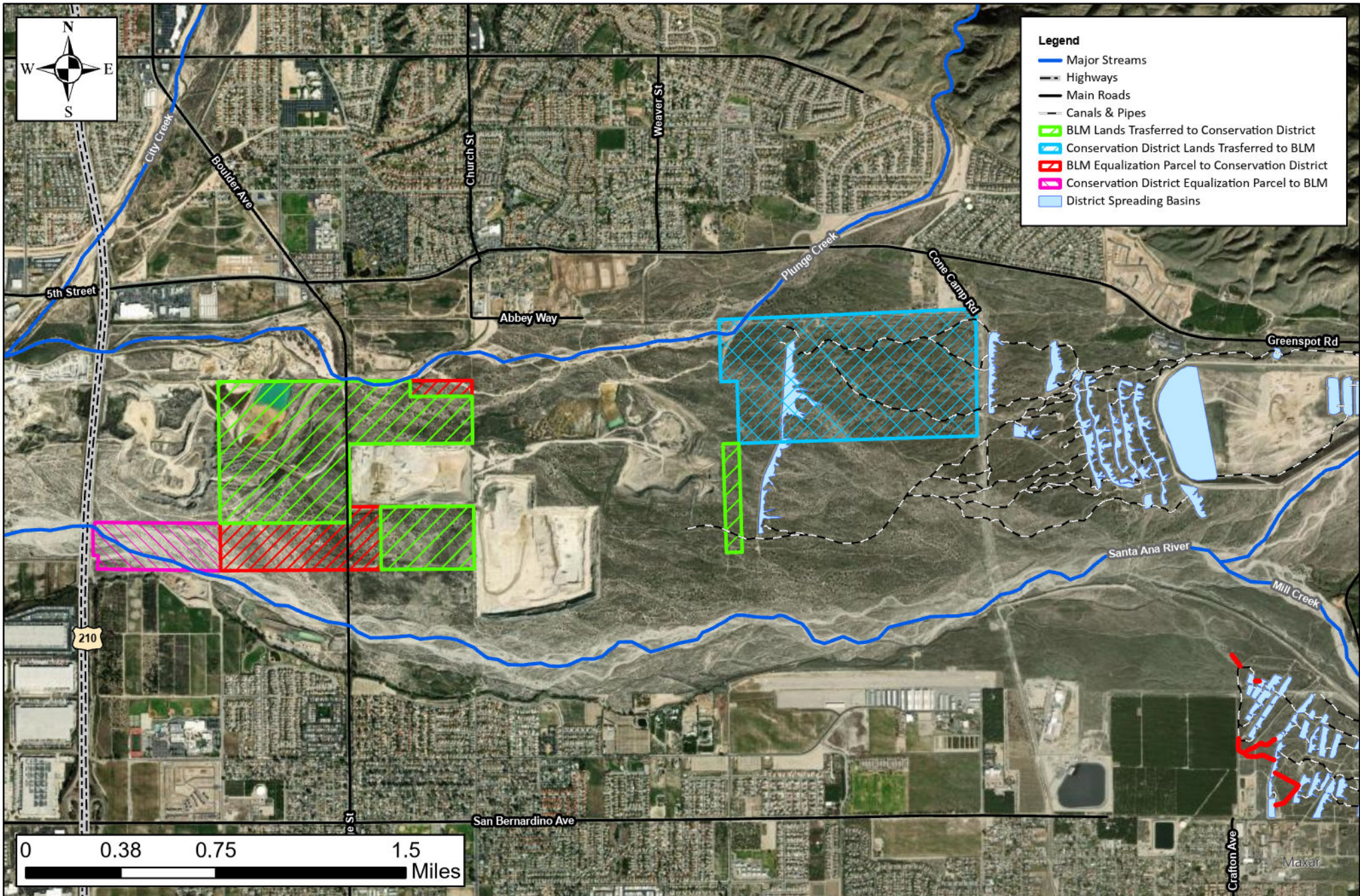
1. Authorize the General Manager to expend \$70,000 in equalization payments for the Wash Plan land exchange; and up to \$35,000 in fees associated with the processing and final documentation of the Wash Plan land exchange to the Bureau of Land Management or title, escrow, or other involved party.
2. Move to direct staff to make specific changes to the payment amount.
3. Move to table the item to a future meeting of the Board or the Finance & Administration Committee.

ATTACHMENTS

Attachment 1 – Land Exchange Map

Attachment A: Land Exchange BLM and SBVWCD

Coordinate System:
NAD 1983 StatePlane California V FIPS 0405 Feet
Projection: Lambert Conformal Conic
Datum: North American 1983
Source: SBVWCD, CASIL, SBVMWD
GIS Contact: Katelyn Scholte
M:\Wash Plan\Land Transfer\Attachment A Land Exchange BLM and SBVWCD
December 20, 2021





**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1952

To: Board of Directors
From: Betsy Miller, General Manager
Date: July 12, 2023
Subject: Capital Purchase of Security System Upgrades

RECOMMENDATION

Authorize the capital purchase of security system upgrades, including door access, security cameras, roof cameras, alarm system, and fire alarm for Redlands Plaza at a cost not to exceed \$49,791, with recurring monthly service fees of \$750.00 as adjusted for inflation.

BACKGROUND AND DISCUSSION

At the recommendation of the Finance & Administration Committee on March 22, an upgraded security system for Redlands Plaza and the Mentone Shop was included in the FY24 budget which was approved by the Board on June 14, 2023. Staff have reviewed the current security system at Redlands Plaza and propose the following upgrades: 1) conversion of the analog fire alarm to 5G cellular, 2) upgrade the security alarm to 5G cellular, 3) install additional external security cameras to provide full coverage of the building exterior, 4) replace the current roof beams with cameras to limit false alarms that require after-hours staff response, 5) replace existing cameras with models in compliance with Section 889 of the John McCain National Defense Authorization Act, and 6) install a camera with remote access capability at the lobby door increase staff safety. Staff is also reviewing the option of including speakers on the cameras to provide additional property security.

The proposed security system upgrades include the following:

Alarm System Component	Capital Cost	Monthly Service Fee
Lobby door camera/access	\$ 4,650.07	\$ 124.73
Security cameras/system	\$ 18,900.00	\$ 161.70
Roof cameras	\$ 5,590.56	\$ 73.14
Security alarm system	\$ 6,500.27	\$ 133.02
Fire alarm system	\$ 8,150.08	\$ 211.43
Camera speaker system (quote pending)	\$ 6,000.00	\$ 45.00
	\$ 49,790.98	\$ 749.02

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Raley

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

Staff requested and received quotes from four vendors, and selected a complete and cost-effective quote of \$49,791, with recurring monthly service fees of \$750.00 as adjusted for inflation, from Securitas Security Corporation for Redlands Plaza. Security upgrades for the new Mentone Shop are planned upon completion of construction.

FISCAL IMPACT

Approval of this item would result in expenditure of up to \$49,791 from Capital GL 7240, Office Equipment, with recurring monthly service fees of \$750.00 as adjusted for inflation expended from GL 5410 Alarm Service. The proposed monthly service fee would replace the current monthly expenditures of approximately \$301 for fire alarm and security alarm, and is expected to replace all or a portion of the \$1,120 cost for monthly security patrols depending on the efficacy of the camera speaker system.

POTENTIAL MOTIONS

1. Authorize the General Manager to complete the capital purchase of security system upgrades, including door access, security cameras, roof cameras, alarm system, and fire alarm for Redlands Plaza at a cost not to exceed \$49,791, with recurring monthly service fees of \$750.00 as adjusted for inflation.
2. Move to request this item be tabled and referred to Finance and Administration and/or Operations Committee(s) for reconsideration of specific issues discussed.

ATTACHMENTS OR MATERIALS

Quotes from Securitas Technology Corporation

Prepared For:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT - REDLANDS, CA - CAMERA SYSTEM

BETSY MILLER
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503
bmiller@sbvxcd.org

Prepared By:
Securitas Technology Corporation
3800 Tabs Drive
Uniontown, OH 44685
Justin Gonzales
Security Sales Consultant
(951) 379-2706
justin.gonzales@securitas.com

Project Site:
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503

PLEASE COORDINATE SCHEDULING WITH ATHENA LAROCHE

INSTALL NEW 3XLOGIC CCTV SYSTEM

Securitas Technology SOW related items:

During the normal business hours of Monday through Friday 8:00 a.m. to 4:30 p.m. Securitas Technology will provide the following scope of work to install a new 3xLogic CCTV system

SCOPE OF WORK IDS:

Securitas Technology will provide and install (3) 5MP 3xLogic Dome Cameras (see attached drawing)

NOTES:

1. SECURITAS will supply and install (3) 5MP 3xLogic Dome Cameras
2. SECURITAS will provide a lift for one week. Please reference Q- 425531-18 was sold on this job.
3. SECURITAS will train the customer on how to use the new system.

Exceptions and Customer Furnished Equipment Expectations

- All work to be done during normal business hours. Unattended access to all necessary systems will be required.
- **REDLANDS PLAZA** will have the ability to view the Camera's from there Mobile Phone, Desk Top, and Lap Top.
- **REDLANDS PLAZA** is responsible for response to all alarms and notifications received during installation, testing, and final configuration of added hardware and services.
- **REDLANDS PLAZA** is responsible for providing a Network connection and IP addresses

Labor Schedule

Categories	Extended Sell
Internal Project Preparation and Management	

Subcontracting & Cable Schedule

Categories	Qty	Unit	Price
------------	-----	------	-------

Part Cables:

Additional Cables and Locks:

1 Service and Support Schedules:

Service and Support Schedule

Categories	Qty	Internal Part #	Monthly Charges
Standard Service Plan	1	CP OPTION A	\$73.14

Plan coverage includes troubleshooting, diagnosis, adjustment, repair and/or replacement, if required, of non-functioning security system devices covered and listed per contract terms. Service is for repair purposes only and covers normal wear and tear. Coverage does not include battery replacement(s), lift or specialty rentals, system upgrades, add ons, technology enhancements, equipment obsolescence, Acts of God, vandalism, customer or third-party alterations or misuse, and other exemptions as identified per contract terms, which will be billed at SES prevailing service rates. Plan covers labor during normal business hours (Monday thru Friday, 8am-5pm local time); does not include national holidays, weekends or after hours service, which will be billed at SES prevailing hourly rates. Customer required to provide free and clear access to equipment and the ability to perform repair services as necessary. Customer is responsible to perform their own onsite device and signal testing to identify and report any system malfunctions or service repair needs.

2 Purchase Investment Summary:

Total: \$5,590.56

*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Billing Terms:

100% Upon completion of Installation. Payment Terms: Due thirty (30) days after receipt of invoice or as otherwise set forth in the agreement between the parties.

Service and Support Schedule(Monthly per Location): \$73.14

Note: Billing for all Services, including applicable Service Plans, will be begin upon installation completion or in-service date.

Customer agrees to pay Securitas Technology Corporation this monthly sum, plus all applicable taxes, per location, for the Services indicated on the Service & Support Schedule, prepaid Quarterly for a period of 5 year(s).

This proposal is valid for 30 days

Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: justin.gonzales@securitas.com

Please issue any Purchase Order or other contract documents to Securitas Technology Corporation

Customer Expected Completion Date:

This Agreement shall not become binding on Securitas Technology Corporation until approved and accepted by Securitas Technology Corporation management as provided below.

Seller:

Buyer:

Securitas Technology Corporation

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Company

Trade, partnership or corporate name if different from above.

21803 CACTUS AVE, SUITE A

1630 W REDLANDS BLVD STE A

RIVERSIDE CA92518

REDLANDS CA 92373

Address

Address

Justin Gonzales, Security Sales Consultant

BETSY MILLER

Account Representative Name & Title

Name & Title

Securitas Technology Corporation Management

Authorized Signature

Date

Securitas Technology Corporation Management Signature Date



MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is made and entered into this 07-14-2023 (the "**Effective Date**") by and between Securitas Technology Corporation, with its principal place of business located at 8350 Sunlight Drive, Fishers, IN 46037 ("**Company**") and SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, with its principal place of business located at 1630 W REDLANDS BLVD STE A, REDLANDS, CA, 92373 (herein after referred to as "**Client**")

1. System and Services.

Company agrees to sell, install, monitor and/or repair (collectively and individually referred to as "**Services**") security systems and the components comprising such systems (collectively and individually referred to as "**System(s)**") as described in an "**Ordering Document**", which can include but is not limited to a Schedule of Service and Protection, Schedule of Installation and Services, purchase order or statement of work, as accepted by Company during the term of this Agreement and at various premises of Client. Each Ordering Document, once submitted by Client and accepted by Company, will become part of and governed by this Agreement. If there is no service plan provided for in the Ordering Document, then service will be provided on a time and material basis during the hours of 8:00 a.m. to 5:00 p.m. (local time to where the work is performed) Monday through Friday, excluding Company holidays ("**Company's Normal Working Hours**"), at Company's then current rates. The terms of this Agreement shall apply only to Systems and Services at locations identified on an Ordering Document under this Agreement. If Client has existing locations currently using Company Systems and/or Services that are identified on an Ordering Document, the terms and conditions of this Agreement shall cancel and supersede all prior proposals or agreements at those locations, whether oral or written with respect thereto.

2. Term, Renewal, and Expiration.

This Agreement is effective as of its execution date and, for use of the System and services, shall have an initial term beginning on the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months after the Effective Date (the "**Initial Term**"). Unless expressly provided otherwise herein, to the extent that the terms of any Ordering Document conflict with the terms of this Agreement, the terms of this Agreement will control. After the Initial Term expires, this Agreement will automatically be renewed as consecutive one (1) year terms, except where prohibited by applicable law, in which case the Agreement will renew from month to month (any such term being a "**Renewal Term**"), unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term or the Renewal Term. This Agreement shall control all new locations specified in any Ordering Document for a period of sixty (60) months from the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months thereafter and will automatically renew as set forth above, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the expiration date of the then-current Initial Term or Renewal Term. Provided, however, that if this Agreement has terminated or expired prior to the end of the Initial Term or any renewal term of such Ordering Document location, the terms and conditions of this Agreement (other than the renewal provisions thereof) shall nevertheless be applicable to the rights and obligations of Company and the Client, as to the providing of services to any such Ordering Document locations.

3. Acceptance and Transfer of Title.

Title, risk of loss, and the right to use a System will pass to Client upon Client's Acceptance thereof according to this Section 3. Notwithstanding the foregoing, under no circumstances will title to any software pass to Client. Client will be deemed to have accepted the Systems provided hereunder according to the following ("**Acceptance**"):

A. . For an installed System, Client shall have ten (10) days (unless a longer period of time is specified in the applicable Ordering Document) following the completion of installation of the System(s) and Company's determination that the System is in operable condition, capable of functioning according to Company's standards and specifications, and communicating with Company's central station(s)/monitoring center(s) (collectively "**Client Service Center**" or "**Center**") (if applicable) to accept the System (the "**Acceptance Period**"). If Client accepts the System, Client shall execute Company's Certificate of Completion or other user acceptance document (each a "**COC**"). If the System does not materially comply with the Ordering Document, Client may deny Acceptance by providing a written notice specifying in detail the reasons the System fails to meet the relevant criteria ("**Deficiency Notice**"). Company will correct any material deficiencies and will retender the System to Client for review and approval as soon as reasonably practicable. The foregoing described process shall repeat until Company corrects all material deficiencies and the System materially complies with the Ordering Document. If no Deficiency Notice is received by Company within the Acceptance Period, or if the System is utilized for purposes other than testing, regardless of whether Client executes Company's COC, the System shall be deemed accepted by Client. Company shall have no obligation to allow return or grant a refund for any part of a System that has been accepted by Client.

B. . For a shipped order that does not include installation (a.k.a. a box sale), Client's Acceptance shall be deemed to occur, and title and risk of loss shall transfer to Client, upon the System being shipped from Company's shipping point to Client's location.

4. Payment and Pricing Adjustments.

A. Payment. Client agrees to pay Company:

- i. for the sale and installation of the System as provided in the applicable Ordering Document;
- ii. for any System that is not purchased outright (a "**Leased System**"), Client acknowledges that the cost of the Leased System and installation labor is incorporated into the monthly fees set forth on the Ordering Document. Following the expiration of the Initial Term of the relevant Ordering Document, Client may contact Company to request a buy-out of the Leased System, whereby ownership of the Leased System would be transferred to Client, and to renegotiate the monthly fee. Unless and until a buy-out occurs, Company retains ownership of a Leased System. Client hereby authorizes Company to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Client's behalf and to file such documents in all places where necessary to perfect Company's interest in the Leased System. Client agrees to execute any such instruments as Company may request from time to time.

iii. for the monitoring, servicing and/or repairing of the System as provided in an Ordering Document, commencing from the date of Client's Acceptance; and

iv. for any interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the System becomes operative until the first of the following month. Payments for services are due sixty (60) months, in advance, commencing from the first day of the month following the date of Client's Acceptance.

B. Payment Terms, Collections. Payments are due thirty (30) days from the invoice date. Failure to pay amounts when due shall give Company the right to charge interest at the rate of 1½% per month, or other maximum permitted by law, on any delinquent balance. Should Company be required to retain an attorney or file suit with respect to collection of any amounts due, Client shall be responsible for payment of Company's attorney fees and expenses related to such collection efforts. Company reserves the right, upon seven (7) days written notice to Client, to suspend all services while Client's account is delinquent.

C. Progress Billing. If the price of a single project exceeds fifty thousand dollars (\$50,000.00), Company shall have the right to submit invoices for progress payments based on percentage of work completed for such project.

D. Pricing Adjustments. Company shall have the right to make any or all of the following pricing adjustments subject to the limitations set forth below:

i. Client agrees that at any time following expiration of (12) months from the Effective Date of this Agreement or from the date of Client's Acceptance of a System at a new location, Company may increase the monthly charges set forth in the applicable Ordering Document once a year, for the balance of the term and any renewal thereof. If Company increases the monthly charges by an amount greater than nine percent (9%), Client's sole remedy with respect to such increase is to terminate this Agreement upon written notice to Company within fifteen (15) days of the earlier of the first invoice reflecting such increase or any other notification to Client of the increase.

ii. Company reserves the right to, no more often than once annually and no sooner than six (6) months from the Effective Date, adjust any pricing under this Agreement, including but not limited to equipment, fees and labor rates, in the event that the Consumer Price Index-All Urban Workers (the "CPI") increases by greater than three percent (3%) between the Effective Date and the time of such adjustment. The percentage of such adjustment may be up to the percentage increase of the CPI.

iii. Company reserves the right to increase any pricing, after an Ordering Document is executed, to the extent that the price to Company of such item has been increased by Company's supplier. Client's sole remedy with respect to such an increase is to cancel the subject Ordering Document.

5. Miscellaneous Charges and Increase in Charges.

A. The prices given to Client are exclusive of taxes and Client shall be responsible for paying for any applicable City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to Company for facilities required for transmission of signals under this Agreement.

B. At Company's option, a fee may be charged for any unnecessary service run or false alarm. If either Client or Company is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Client shall pay the full amount of such fine or penalty. If, following an investigation at Client's request, it is mutually agreed that a false alarm was caused by Company, the amount of the fine or penalty paid by Client shall be credited to Client's account. Should the System excessively signal Company's monitoring facility as a result of any cause other than Company's sole negligence, Client authorizes Company to: (i) suspend performance of any of the services; (ii) shut down the panel and/or the System; and (iii) render some or all of the equipment incapable of sending a signal locally or communicating with any monitoring facility while the Parties investigate the source of the excessive signaling.

C. The payments set forth in the Ordering Document may include telephone company line charges, if required. Company may immediately increase its monthly charges to reflect such increased line charges for the Client facility covered by this Agreement. Client shall also pay any telephone company toll line charges incurred by the operation of the System.

D. Installation charges set forth in an Ordering Document assume installation will be performed during Company's Normal Working Hours and using its own personnel. If Client requests the installation or any part thereof to be performed outside of Company Normal Working Hours, or by Client specified contractors, or if Company's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.

E. If any governmental agency, or any updated technology standards (including but not limited to cellular signal sunset), require any changes in the System originally installed for compliance requirements and/or continued functionality, Client agrees to pay for such changes. It is Client's responsibility to obtain all alarm use permits required by the local jurisdiction.

F. The prices quoted for the System are based upon the number of components, type of security and service specified in the Ordering Document. Should Client request or require additional protection, security devices or services, this may affect the final contract price. Cost associated with conditions not apparent at Company's initial survey and for delays other than caused by Company will be borne by Client at Company's then current rates.

G. Client shall pay the greater of (i) any penalties or charges incurred by Company; (ii) \$25.00, or (iii) the maximum amount permitted by law; in relation to any not-sufficient-funds (NSF) check submitted by Client.

H. Invoices to Client shall be provided electronically unless otherwise requested by Client. A nominal fee, not to exceed three dollars (\$3.00), may be charged for each paper invoice mailed.

I. Company may make periodic searches at credit reporting agencies and fraud prevention agencies and reserves the right to change payment terms based upon information obtained in the searches.

6. Liquidated Damages and Company's Limits of Liability.

A. THE PARTIES AGREE THAT (I) COMPANY IS PROVIDING A SYSTEM AND/OR SERVICE DESIGNED TO REDUCE THE RISK OF LOSS ONLY; (II) THE PAYMENTS PROVIDED FOR HEREIN ARE BASED SOLELY ON THE VALUE OF THE SYSTEM AND/OR SERVICES AS DESCRIBED HEREIN AND ARE UNRELATED TO THE VALUE OF ANY PROPERTY LOCATED ON CLIENT'S PREMISES; (III) COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY SYSTEM PROVIDED OR SERVICED BY COMPANY OR THAT COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN THE MONITORING, REPAIRING, SIGNAL HANDLING OR DISPATCHING ASPECTS OF THE SERVICE, EVEN IF DUE TO COMPANY'S NEGLIGENCE OR FAILURE OF PERFORMANCE; (V) COMPANY IS NOT LIABLE FOR LOSSES RESULTING FROM FAILURE TO WARN OR INADEQUATE TRAINING; (VI) COMPANY IS NOT AN INSURER; AND (VII) INSURANCE COVERING PERSONAL INJURY, PROPERTY LOSS, AND DAMAGE TO AND ON CLIENT'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY CLIENT. CLIENT UNDERSTANDS THAT (A) IT IS CLIENT'S DUTY TO PURCHASE SUCH INSURANCE; AND (B) COMPANY OFFERS SEVERAL LEVELS OF PROTECTION AND SERVICES AND THAT THE SYSTEM AND/OR SERVICE DESCRIBED IN THE ORDERING DOCUMENT HAS BEEN CHOSEN BY CLIENT AFTER CONSIDERING AND BALANCING THE LEVELS OF PROTECTION AFFORDED BY VARIOUS SYSTEMS AND THE RELATED COSTS. THIS AGREEMENT SHALL CONFER NO RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE, WITH THE EXCEPTION OF THIRD PARTIES IDENTIFIED IN THIS SECTION 6.

B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CLIENT'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CLIENT DATA, INABILITY OF COMPANY TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CLIENT'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF SECTION 6(A) IS JUDICIALLY DETERMINED TO BE INVALID, UNENFORCEABLE, OR IS OTHERWISE NOT ENFORCED, AND ANY LIABILITY IS JUDICIALLY IMPOSED ON COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, COMPANY'S LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE COMPANY'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CLIENT WISHES COMPANY TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CLIENT MAY OBTAIN FROM COMPANY AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO COMPANY. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH COMPANY AS AN INSURER.

C. IN NO EVENT WILL COMPANY, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR ANY LOST PROFITS, LOSS OF REVENUE, COST OF COVER, OR ANY CONSEQUENTIAL, INDIRECT, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER, WHETHER SOUNDING IN CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND PRODUCTS LIABILITY), OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR ANY LIMITED REMEDY HEREUNDER.

D. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST COMPANY MORE THAN TWO (2) YEARS AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

E. BECAUSE THE PARTIES AGREE THAT CLIENT RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO CLIENT'S OWN PROPERTY OR THE PROPERTY OF OTHERS ON ITS PREMISES, CLIENT AGREES TO INDEMNIFY AND SAVE HARMLESS COMPANY, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY COMPANY OF ANY SERVICE PROVIDED BY COMPANY, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

F. WITH RESPECT TO LEASED SYSTEMS, CLIENT EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CLIENT UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CLIENT BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY COMPANY'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.

G. This Section 6 shall apply to any other company or entity, and the work it performs, which furnishes, as a subcontractor or otherwise, any installation, repairs, maintenance, monitoring or other services provided hereunder.

7. Limited Equipment Warranty.

A. Where Client purchases a System under this Agreement, unless Client has purchased a service plan that commences from the date of installation, Company warrants to Client that the equipment provided will conform to its associated documentation under normal use and operating conditions for a period of ninety (90) from the date of Acceptance. If, during this warranty period, any of the equipment or parts are

defective or malfunction, they will be repaired or replaced, at Company's sole option, free of charge. Warranty repair is provided during Company's Normal Working Hours. This warranty will not apply if the damage or malfunction occurs due to (i) adjustments, additions, alternations, abuse, misuse or tampering of the System by the Client (ii) System operation or use contrary to the operating instructions; (iii) software used with an operating system other than that specified by Company or its original equipment manufacturer ("OEM"); (iv) performance issues relating to the use of Client's data network(s); (v) power fluctuations; or (vi) any other cause not within the cause or control of Company. If inspection by Company fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Client's expense and Company's regular service charges will apply.

B. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY, COMPANY MAKES NO OTHER WARRANTIES AND HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OR USAGE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, OR QUIET ENJOYMENT AND ANY WARRANTY THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. COMPANY MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CLIENT'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

C. STATE LAW. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY. THE WARRANTY PROVIDES SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. Software License.

Client's use of any computer application, program, and/or documentation (collectively "Software") provided hereunder is owned by Company, its affiliates or one of its OEMs and is protected by United States and international copyright laws and international treaty provisions, and is governed by the terms and conditions of any license included in or with such software (including but not limited to a click-wrap or shrink-wrap agreement) or as appears on a web site as of the date that the Client signs the Ordering Document referencing this Agreement. If Client does not agree to abide by such terms, then Client should not install or use such Software. Any breach of this Agreement will automatically terminate the Client's right to use the software. Client may not copy the software other than in accordance with the terms and conditions of the applicable end user software license agreement. Client may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any software. Client acknowledges that any breach of this Section 8 shall result in irreparable injury to Company for which the amount of damages would be unascertainable. Therefore, Company may, in addition to pursuing any and all remedies provided by law, seek an injunction against Client from any court having jurisdiction, restraining any violation of this Section 8.

9. Further Obligations of Client.

A. Client, at its own expense, shall supply appropriate unswitched AC electric power, outlets for such power, located according to Company's requirements, and telephone company interconnection jacks, if required.

B. Client shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment, or otherwise interfere with System(s) installed by Company, nor shall Client permit the same to be done by others. It is further agreed that CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FOR ANY CLAIM ARISING OUT OF THE FOREGOING, and that if any work is required to be performed by Company due to Client's breach of the foregoing obligations, Client will pay Company for such work in accordance with Company's then current prevailing charges.

C. For those premises where Company is to provide monitoring services, Client shall be solely responsible for providing to and updating Company with the information required to provide the services hereunder, including but not limited to a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Client during scheduled closed periods, instructions on order of contacting individuals and authorities in case of an alarm signal or other type of signal, an authorized daily and holiday opening and closing schedule; authorized contacts and accurate contact information ("Action Plan"). Client agrees that telephone calls and video received or transmitted by the Client Service Center, including the receipt and transmission of alarm signals, may be electronically recorded by Company. Client consents to such recording and will inform its employees and appropriate third parties that such recordings are authorized.

D. Client is solely responsible for activating any intrusion alarm System at such times as Client shall close its premises. Client shall regularly test its System(s), including conducting walk tests of any motion detection equipment, and shall immediately report to Company any claimed inadequacy in, or failure of, any System.

E. Client shall permit Company access to the premises for any reason arising out of, or in connection with, Company's rights or obligations under this Agreement.

F. At any time during the Initial Term of this Agreement or any Renewal Term, Company may reasonably determine that equipment being serviced hereunder is obsolete or not otherwise reasonably capable of being maintained in an operable condition as a result of age, volume of use, unavailability of necessary replacement parts or other reason or condition. In such event, upon receipt of written notice or such determination from Company, Client shall either replace the obsolete equipment with new equipment, remove the equipment from the scope of coverage of this Agreement, or agree in writing that such equipment will continue to be serviced hereunder by Company (if Company is able to do so) on a time and materials basis.

G. Should any part of the System be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of Company, any repairs or replacement shall be paid for by Client (ordinary wear and tear excepted in the case of a Leased System).

H. Client represents and warrants that Client is the owner of the premises or, if not, that the owner agrees and consents to the installation of the System on the premises. Client shall indemnify and hold Company harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from Company's inability to recover Leased System components when Client moves out of the premises.

I. For those premises where Company is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Client warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Client's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with Company's signaling devices. Client further agrees to furnish any necessary water through Client's meter and at Client's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.

J. For those premises where the System transmits video Client shall (i) provide and maintain adequate power and lighting for all cameras or other video-related equipment; (ii) instruct all personnel who may use the service or the System of any of the limitations respecting the service or the System as set forth in an agreement or otherwise; (iii) take all steps necessary to inform any person who may be the subject of any video and/or audio monitoring of the possibility of such monitoring including the prominent and conspicuous display of signs or the broadcasting of periodic or intrusion-related aural announcements informing any such person of the audio and/or video monitoring while on the premises; (iv) not use or permit the use of video data transmitted or received from cameras installed with a view where any person may have a reasonable expectation of privacy including restrooms, dressing or changing areas, locker rooms or similar areas; (v) use the service and video transmitted from a System only for the intended purpose of providing security surveillance or management services and for no other purpose; (vi) not use the services or video transmitted from a System for any criminal, illegal or otherwise unlawful activity, including invasion of or intrusion upon the privacy or seclusion or the private affairs of another or eavesdropping or for viewing, transmitting or storing sexually explicit materials; and (vii) obtain and keep in effect all permits or licenses required for the installation and operation of the System or use of the service.

K. It is mutually agreed that the Client assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Client's premises.

L. Client represents that, except to the extent it has given Company written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Client) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond Company's reasonable control and Company shall not start, or continue, to perform its work under this Agreement until Client has remedied the unsafe or unlawful condition at Client's sole expense. CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM SUCH UNSAFE OR UNLAWFUL CONDITIONS (REGARDLESS OF WHETHER OR NOT CLIENT DISCLOSED SUCH MATERIALS TO COMPANY). Client further represents that it is not subject to any economic or trade sanctions and will immediately notify Company if it becomes subject to such sanctions, in which event Company shall be entitled to immediately terminate this Agreement.

10. **Obligations of Company; Limitations.**

A. Neither party shall be held responsible or liable for delay in installation of the System or interruption of service due to strikes, lockouts, riots, floods, fires, lightning, acts of God, pandemics, endemics, supply chain issues and shortages, or any cause beyond the control of such party, including interruptions in internet, telephone, or other telecommunications service (each a "**Force Majeure**"). Company will not be required to perform installation or supply service to Client while any such cause shall continue. If such Force Majeure event continues for more than thirty (30) days, either party may terminate this Agreement without liability as of the date specified in a written notice to the other party.

B. For those premises where monitoring service is provided, Company, upon receipt of an alarm signal from Client's premises, shall (unless previously instructed otherwise by Client), follow the Action Plan. If no Action Plan is in place, Company shall make a reasonable effort to notify Client and/or the pertinent authorities of the alarm, with the exception that Company shall clear the alarm signal if, through video or audio verification, Company determines an emergency does not exist.

C. Company reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals, unless expressly prohibited by local authorities. If Client requires phone notification for non-emergency signals, Client agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal business hours unless expressly requested otherwise by Client.

D. Company may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. Company and Client are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the System. Company reserves the right to discontinue or change any particular response service due to such governmental requirements or any insurance requirements without notice. Client consents to the tape and video recording of telephonic and video communications between Client's premises and Company, and Client will inform its employees and third parties that such recordings are authorized. If Client's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Client agrees to subscribe to such service if provided by Company, or otherwise comply with such requirements, and an additional fee may apply for such services.

E. If a service plan or software support option is purchased by Client, Company will provide and install software updates during Company's Normal Working Hours, as they become commercially available. Software updates that do not apply to the Client's current operations, as determined by Company and the OEM, will not be installed by Company. Software upgrades shall be made available for purchase. In the event

the Client elects to have someone other than Company install a software update or upgrade, Client shall assume any and all liability for damage caused pursuant to the installation. Service and updates for third party software not supplied by Company are excluded from this Agreement.

11. Communication Limitations.

A. Client understands that if any System installed under this Agreement is monitored, due to the nature of the method used for communicating alarm signals to the Client Service Center there may be times when that communication method is not able to transmit signals and Company will not receive alarm signals. Digital communicators use standard telephone lines and Company does not receive signals when the telephone systems become non-operational or the telephone line is placed on vacation status, cut, interfered with, or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems, or any Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communication channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Client understands that Company offers several levels of communication methods of alarm signals to the Client Service Center and that the services described on the Ordering Document have been chosen by Client after considering and balancing the levels of protection afforded by various communication methods and the related costs. Client acknowledges and agrees that Client is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond Company's control and are maintained and serviced, solely by the applicable carrier or provider. Client agrees to reimburse Company for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the System. Such services should be installed on a telephone number that is not used for alarm signal transmission. Client agrees to notify Company if Client has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.

B. For those premises where card access security is provided, Company assumes no responsibility or liability for lost or stolen access cards.C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

12. Title to Equipment and Use of Leased Equipment.

A. If Client purchases a System, Client agrees that Company retains a security interest in the System until the full purchase price is paid.

B. Any Leased System installed on the Client's premises shall at all times remain solely the property of Company and Client agrees not to permit the attachment thereto of any equipment not furnished by Company. It is further understood and agreed that Company may remove, disable, or abandon all or any part of the Leased System, including all wiring installed by Company upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise, without any obligation to repair or redecorate any portion of the protected premises, provided that such removal, disablement, or abandonment shall not be held to constitute a waiver of the right of Company to collect any charges which have accrued hereunder. Client shall have no right, title or interest in the Leased System outside of the leasehold interest created by the Ordering Documents.

C. Client shall keep all Leased Systems at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Client shall give Company immediate notice of any such attachment or other judicial process affecting any of the equipment. Without Company's written permission, Client shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without Company's prior written consent, then all the new equipment shall become equipment owned by Company subject to this Agreement and the applicable Schedule.

13. Termination.

A. Company may terminate this Agreement:

- i. Immediately, upon written notice, in the event Client defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, and fails to cure or remedy the default within thirty (30) calendar days from receipt date of written notice by Company of such default. If Company terminates under this Section 13(A)(i), the balance of all monies due and for the unexpired term of orders subject to this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii. immediately, upon written notice, in the event the Client Service Center, the telephone lines, wires, or Company's equipment within Client premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Client's premises; or
- iii. as provided in Section 2 relating to expiration.

B. Client may terminate this Agreement:

- i. immediately, upon written notice for any individual location in the event the Client location is, by any cause beyond the control of Client, destroyed or so substantially damaged that it is commercially impractical for Client to continue any operations at such location;

- ii. if Company materially breaches this Agreement, and such material breach is not cured within thirty (30) days of written notification by Client of such material breach;
 - iii. as provided in Section 2 relating to expiration.
- C. In the event of any termination under this Section 13,
- i. if Client is using Leased Equipment, Client must pay Company all payments remaining to be made under this Agreement through its scheduled expiration;
 - ii. Client shall permit Company access to Client's premises in order to deactivate any signaling device, and/or to remove or disable the System pursuant to Section 12;
 - iii. written notification by facsimile, U.S. mail or by courier shall be acceptable.
- D. The provisions that by their express terms or nature continue and surviving, including the payment and taxes terms, the limitation on liability, consequential damages waiver, warranty disclaimer, insurance and waiver of subrogation, severability and savings, jury trial waiver, entire agreement and governing law provision, will survive any termination, expiration or cancellation of this Agreement.

14. Assignment.

This Agreement and the rights hereunder are not assignable by the Client, except upon written consent of Company first being obtained. Company shall have the right to assign its rights under this Agreement without the consent of, but with notification to, the Client. Any attempted assignment in violation of this Section 14 is void.

15. Subcontracting.

Company may, in its sole discretion, subcontract any of Company's obligations under this Agreement.

16. Insurance and Waiver of Subrogation.

Client shall obtain, and maintain, insurance coverage and/or an appropriate self-insurance program to cover all losses, damage, or injury Client may sustain in security-related incidents. Client shall look solely to its insurer for recovery of security incident related losses and hereby waives any and all claims for such losses against Company. Client agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

17. Severability and Savings.

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

18. Non-Solicitation.

During the term of this Agreement and for a period of not less than one (1) year following its expiration or termination, both parties agree not to solicit as an employee, consultant, agent, subcontractor and/or representative (hereinafter "**Employee**") any person who is an Employee of the other party at the time of such solicitation. If this covenant is breached, the non-breaching party will be entitled to seek injunctive relief to be issued by any court of equity having jurisdiction to enjoin and restrain the breaching party and the subject Employee, and each and every other person concerned therein from further violation thereof, and in addition thereto, if a court finds a violation of this clause, the non-breaching party will be entitled to liquidated damages, due to the difficulty of proof of actual damages, against the breaching party in the amount of the hired employee's fully loaded salary, including benefits, bonuses, commissions, stock grants, the cost of training and other similar fully loaded elements. Both parties acknowledge that such amount is reasonable, not a penalty and not disproportionate to the presumed investment in the training of such Employee and the damages suffered by the non-breaching party. Solicitation through advertisements directed at the general public or through independent recruiters who contact a party's Employee without the party's knowledge will not be considered solicitations for purposes of this paragraph.

19. Electronic Signature.

The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

20. Choice of Law.

This Agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principles that would require the application of any other law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

21. Waivers.

A. Jury Trial Waiver. Both parties to this Agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect to any litigation arising out of, under, in connection with, or relating to this Agreement.

B. Terrorism Waiver. In no event will either Party or its insurers be liable to the other Party for loss or damage arising from or related to any acts of terrorism. The Parties intend for this waiver to "flow down" to their respective contractors.

22. Confidentiality

A. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party non-public information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information that the receiving party knows or reasonably should know is confidential to the disclosing party or its affiliates, whether orally or in written, electronic, or other form or media/in written or electronic form or media, whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure, is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third-party; or (d) independently developed by the receiving party.

B. Non-Disclosure. The receiving party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party

making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

C. Return or Destruction. On the expiration or termination of this Agreement, the receiving party shall, to the extent practicable, promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

23. Miscellaneous

A. The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement, which shall be considered as a whole.

B. The word "including", when used herein, is illustrative rather than exclusive and means "including, without limitation."

C. Any written notifications to Company shall be directed to 8350 Sunlight Drive, Fishers, IN 46037, Attn: Counsel. Any written notifications to Client shall be directed to the address identified in the first paragraph of this Agreement.

24. Entire Agreement.

This Agreement, including any attached Ordering Documents and Exhibits (which are incorporated by reference), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to such subject matter. This Agreement may not be changed, modified, or varied except in a writing that both identifies itself as an amendment to this Agreement and is signed by an authorized representative of Company. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Client. Client hereby acknowledges that Client has read this entire Agreement and agrees to be bound by all its terms and conditions.

IMPORTANT INFORMATION FOR PURCHASERS OF ALARM SYSTEMS AND SERVICES IN THE STATE OF CALIFORNIA

Company is a licensed alarm company operator as defined in the California Alarm Company Act (the "Act") and is regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Post Office Box 980550, West Sacramento, CA 95798-0550, Phone (916) 322-4000. Company shall provide Client a fully executed copy of the Agreement before any work is done. Upon completion of the installation of the alarm system, Company shall thoroughly instruct Client in the proper use of the alarm system. Company reserves the right, in the event of non-payment, to assert a mechanic's lien against the Premises. In the event of the assertion of such a lien, Company must provide notice to Client and record the lien and/or payment bonds (if applicable) in accordance with California law. Client has the right to dispute such a lien based on whether legal requirements with respect to such a lien are satisfied.

California License # of Sales Agent (if applicable): _____

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this agreement by their signatures below on the dates indicated:

SECURITAS TECHNOLOGY CORPORATION

By:

Name:

Title:

Date:

Customer: SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

By:

Name:

Title:

Date:

Prepared For:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT - REDLANDS, CA - FIRE REFURB

BETSY MILLER
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503
bmiller@sbnwcd.org

Prepared By:

Securitas Technology Corporation
3800 Tabs Drive
Uniontown, OH 44685
Justin Gonzales
Security Sales Consultant
(951) 379-2706
justin.gonzales@securitas.com

Project Site:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503

Securitas Technology will be replacing REDLANDS PLAZA existing older Fire panel, HONEYWELL 5505 for a BOSCH 8512GBV2 , also including a cellular communicator KIT (B444V/B450) and (1) red BOSCH Annunciator keypad, (2) 12v 12AH Battery, 1: D192G, 1: 4W-B, and 1: document box with key. Securitas Technology will be conducting multiple test regarding the Fire system, insuring there is connectivity between the customer and our monitoring center / Fire station. Securitas Technology will be working closely with the County of Riverside to obtain permits and plans. Securitas Technology will be disconnecting and pulling off existing POINTS and input on new BOSCH 8512GBV2 PANEL.

Take existing Fire Points from HONEYWELL 5505 Panel and input them into new BOSCH 8512GBV2.

Install the following

01: B8512GBV2 (FACP ROOM)
01: B926F (Annunciator)
02: 12V, 12AH Batteries
01: B444
01: D192G
01: 4W-B
01: DOC BOX

RECONNECT THE FOLLOWING

POC VSR (1)
POC PCVS-1 (2)

Labor Schedule

Categories	Extended Sell
Internal Project Preparation and Management	\$353.65

Subcontracting & Cable Schedule

Categories	Qty	Unit	Price
FIRE DRAWINGS & PLAN SUBMITTALS			\$3,137.73

Part Cables:

Additional Cables and Locks:

1 Service and Support Schedules:

Service and Support Schedule

Categories	Qty	Internal Part #	Monthly Charges
Fire Alarm Monitoring	1	00-067663-00ES	\$22.00

Fire Alarm Monitoring includes monitoring of fire initiating devices, supervisory and trouble signals as programmed. Upon receipt of a fire alarm signal, the SES Monitoring Center will follow the customer response plan on record, such as dispatch of local fire authorities. Service includes a weekly electronic test signal of communication if programmed. Customer is responsible for updating their call list and response plan as changes occur and other items per contract terms.

Cellular Primary Service - Fire Alarm Supervision	1	00-118332-00ES	\$24.00
---	---	----------------	---------

Cellular Primary Service - Fire Alarm Supervision includes monitoring of alarm signals via communication to the SES Monitoring Center utilizing a cellular network as programmed. Includes cellular air-time fees and 60-minute supervision test if programmed. Upon receipt of a fire alarm signal, the SES Monitoring Center will follow the customer response plan on record, such as dispatch of local fire authorities. Customer is responsible to perform their own onsite device and signal testing, for updating their call list and response plan, etc. as changes occur and per contract terms. Cellular equipment not included and must be purchased separately.

Standard Service Plan	1	CP OPTION A	\$121.43
-----------------------	---	-------------	----------

Plan coverage includes troubleshooting, diagnosis, adjustment, repair and/or replacement, if required, of non-functioning security system devices covered and listed per contract terms. Service is for repair purposes only and covers normal wear and tear. Coverage does not include battery replacement(s), lift or specialty rentals, system upgrades, add ons, technology enhancements, equipment obsolescence, Acts of God, vandalism, customer or third-party alterations or misuse, and other exemptions as identified per contract terms, which will be billed at SES prevailing service rates. Plan covers labor during normal business hours (Monday thru Friday, 8am-5pm local time); does not include national holidays, weekends or after hours service, which will be billed at SES prevailing hourly rates. Customer required to provide free and clear access to equipment and the ability to perform repair services as necessary. Customer is responsible to perform their own onsite device and signal testing to identify and report any system malfunctions or service repair needs.

Annual Fire Alarm Test & Inspection I - Fire

1

PLAN A FIRE

\$41.00

Scheduled Fire Alarm Test and Inspection Service (Mon - Fri, 8am - 5pm local time) may include a review of initiating, indicating, audible, control, annunciating and communicating devices associated with the applicable fire alarm system covered and listed under the terms of the contract. Components are typically visually inspected and tested for proper operation and functionality per the SES Fire Test and Inspection (FT and I) Checklist, which includes 30 minutes of travel time. FT and I service does not include national holidays, battery replacement(s), after hours or weekends, or lift/specialty rentals required to perform the FT and I. Repairs or deficiencies identified during the FT and I or during subsequent Authority Having Jurisdiction (AHJ) review, additional travel time, non standard business hours, return trips, and specialty rentals will be billed at standard time and material rates, unless covered under a SES Service Plan. Customer required to provide free and clear access to equipment and the ability to inspect, initiate and test devices as necessary to perform FT and I service.

Daily Alarm Test Signals

1

00-065706-00ES

\$3.00

Test Signal Monitoring includes a test signal which is transmitted by the alarm panel as programmed. Upon receipt of a test signal, the SES Monitoring Center will auto-log the signal. However, if a test signal fails to be received by the SES Monitoring Center as programmed, the Monitoring Center will follow the customer response plan on record. Customer should perform their own onsite device, communication and signal testing; is responsible for updating their call list and response plan as changes occur and other items per contract terms.

2 Purchase Investment Summary:

Total: \$8,150.08

*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Billing Terms:

0% On Order Entry - 40% Upon Installation - 60% On Installation Completion. Payment Terms: Due thirty (30) days after receipt of invoice or as otherwise set forth in the agreement between the parties.

Service and Support Schedule(Monthly per Location): \$211.43

Note: Billing for all Services, including applicable Service Plans, will be begin upon installation completion or in-service date.

Customer agrees to pay Securitas Technology Corporation this monthly sum, plus all applicable taxes, per location, for the Services indicated on the Service & Support Schedule, prepaid Quarterly for a period of 5 year(s).

This proposal is valid for 30 days

Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: justin.gonzales@securitas.com

Please issue any Purchase Order or other contract documents to Securitas Technology Corporation

Customer Expected Completion Date:

This Agreement shall not become binding on Securitas Technology Corporation until approved and accepted by Securitas Technology Corporation management as provided below.

Seller:

Buyer:

Securitas Technology Corporation

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Company

Trade, partnership or corporate name if different from above.

21803 CACTUS AVE, SUITE A

1630 W REDLANDS BLVD STE A

RIVERSIDE CA92518

REDLANDS CA 92373

Address

Address

Justin Gonzales, Security Sales Consultant

BETSY MILLER

Account Representative Name & Title

Name & Title

Securitas Technology Corporation Management

Authorized Signature

Date

Securitas Technology Corporation Management Signature Date



MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is made and entered into this 07-03-2023 (the "**Effective Date**") by and between Securitas Technology Corporation, with its principal place of business located at 8350 Sunlight Drive, Fishers, IN 46037 ("**Company**") and SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, with its principal place of business located at 1630 W REDLANDS BLVD STE A, REDLANDS, CA, 92373 (herein after referred to as "**Client**")

1. System and Services.

Company agrees to sell, install, monitor and/or repair (collectively and individually referred to as "**Services**") security systems and the components comprising such systems (collectively and individually referred to as "**System(s)**") as described in an "**Ordering Document**", which can include but is not limited to a Schedule of Service and Protection, Schedule of Installation and Services, purchase order or statement of work, as accepted by Company during the term of this Agreement and at various premises of Client. Each Ordering Document, once submitted by Client and accepted by Company, will become part of and governed by this Agreement. If there is no service plan provided for in the Ordering Document, then service will be provided on a time and material basis during the hours of 8:00 a.m. to 5:00 p.m. (local time to where the work is performed) Monday through Friday, excluding Company holidays ("**Company's Normal Working Hours**"), at Company's then current rates. The terms of this Agreement shall apply only to Systems and Services at locations identified on an Ordering Document under this Agreement. If Client has existing locations currently using Company Systems and/or Services that are identified on an Ordering Document, the terms and conditions of this Agreement shall cancel and supersede all prior proposals or agreements at those locations, whether oral or written with respect thereto.

2. Term, Renewal, and Expiration.

This Agreement is effective as of its execution date and, for use of the System and services, shall have an initial term beginning on the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months after the Effective Date (the "**Initial Term**"). Unless expressly provided otherwise herein, to the extent that the terms of any Ordering Document conflict with the terms of this Agreement, the terms of this Agreement will control. After the Initial Term expires, this Agreement will automatically be renewed as consecutive one (1) year terms, except where prohibited by applicable law, in which case the Agreement will renew from month to month (any such term being a "**Renewal Term**"), unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term or the Renewal Term. This Agreement shall control all new locations specified in any Ordering Document for a period of sixty (60) months from the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months thereafter and will automatically renew as set forth above, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the expiration date of the then-current Initial Term or Renewal Term. Provided, however, that if this Agreement has terminated or expired prior to the end of the Initial Term or any renewal term of such Ordering Document location, the terms and conditions of this Agreement (other than the renewal provisions thereof) shall nevertheless be applicable to the rights and obligations of Company and the Client, as to the providing of services to any such Ordering Document locations.

3. Acceptance and Transfer of Title.

Title, risk of loss, and the right to use a System will pass to Client upon Client's Acceptance thereof according to this Section 3. Notwithstanding the foregoing, under no circumstances will title to any software pass to Client. Client will be deemed to have accepted the Systems provided hereunder according to the following ("**Acceptance**"):

A. . For an installed System, Client shall have ten (10) days (unless a longer period of time is specified in the applicable Ordering Document) following the completion of installation of the System(s) and Company's determination that the System is in operable condition, capable of functioning according to Company's standards and specifications, and communicating with Company's central station(s)/monitoring center(s) (collectively "**Client Service Center**" or "**Center**") (if applicable) to accept the System (the "**Acceptance Period**"). If Client accepts the System, Client shall execute Company's Certificate of Completion or other user acceptance document (each a "**COC**"). If the System does not materially comply with the Ordering Document, Client may deny Acceptance by providing a written notice specifying in detail the reasons the System fails to meet the relevant criteria ("**Deficiency Notice**"). Company will correct any material deficiencies and will retender the System to Client for review and approval as soon as reasonably practicable. The foregoing described process shall repeat until Company corrects all material deficiencies and the System materially complies with the Ordering Document. If no Deficiency Notice is received by Company within the Acceptance Period, or if the System is utilized for purposes other than testing, regardless of whether Client executes Company's COC, the System shall be deemed accepted by Client. Company shall have no obligation to allow return or grant a refund for any part of a System that has been accepted by Client.

B. . For a shipped order that does not include installation (a.k.a. a box sale), Client's Acceptance shall be deemed to occur, and title and risk of loss shall transfer to Client, upon the System being shipped from Company's shipping point to Client's location.

4. Payment and Pricing Adjustments.

A. Payment. Client agrees to pay Company:

- i. for the sale and installation of the System as provided in the applicable Ordering Document;
- ii. for any System that is not purchased outright (a "**Leased System**"), Client acknowledges that the cost of the Leased System and installation labor is incorporated into the monthly fees set forth on the Ordering Document. Following the expiration of the Initial Term of the relevant Ordering Document, Client may contact Company to request a buy-out of the Leased System, whereby ownership of the Leased System would be transferred to Client, and to renegotiate the monthly fee. Unless and until a buy-out occurs, Company retains ownership of a Leased System. Client hereby authorizes Company to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Client's behalf and to file such documents in all places where necessary to perfect Company's interest in the Leased System. Client agrees to execute any such instruments as Company may request from time to time.

iii. for the monitoring, servicing and/or repairing of the System as provided in an Ordering Document, commencing from the date of Client's Acceptance; and

iv. for any interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the System becomes operative until the first of the following month. Payments for services are due sixty (60) months, in advance, commencing from the first day of the month following the date of Client's Acceptance.

B. Payment Terms, Collections. Payments are due thirty (30) days from the invoice date. Failure to pay amounts when due shall give Company the right to charge interest at the rate of 1½% per month, or other maximum permitted by law, on any delinquent balance. Should Company be required to retain an attorney or file suit with respect to collection of any amounts due, Client shall be responsible for payment of Company's attorney fees and expenses related to such collection efforts. Company reserves the right, upon seven (7) days written notice to Client, to suspend all services while Client's account is delinquent.

C. Progress Billing. If the price of a single project exceeds fifty thousand dollars (\$50,000.00), Company shall have the right to submit invoices for progress payments based on percentage of work completed for such project.

D. Pricing Adjustments. Company shall have the right to make any or all of the following pricing adjustments subject to the limitations set forth below:

i. Client agrees that at any time following expiration of (12) months from the Effective Date of this Agreement or from the date of Client's Acceptance of a System at a new location, Company may increase the monthly charges set forth in the applicable Ordering Document once a year, for the balance of the term and any renewal thereof. If Company increases the monthly charges by an amount greater than nine percent (9%), Client's sole remedy with respect to such increase is to terminate this Agreement upon written notice to Company within fifteen (15) days of the earlier of the first invoice reflecting such increase or any other notification to Client of the increase.

ii. Company reserves the right to, no more often than once annually and no sooner than six (6) months from the Effective Date, adjust any pricing under this Agreement, including but not limited to equipment, fees and labor rates, in the event that the Consumer Price Index-All Urban Workers (the "CPI") increases by greater than three percent (3%) between the Effective Date and the time of such adjustment. The percentage of such adjustment may be up to the percentage increase of the CPI.

iii. Company reserves the right to increase any pricing, after an Ordering Document is executed, to the extent that the price to Company of such item has been increased by Company's supplier. Client's sole remedy with respect to such an increase is to cancel the subject Ordering Document.

5. Miscellaneous Charges and Increase in Charges.

A. The prices given to Client are exclusive of taxes and Client shall be responsible for paying for any applicable City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to Company for facilities required for transmission of signals under this Agreement.

B. At Company's option, a fee may be charged for any unnecessary service run or false alarm. If either Client or Company is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Client shall pay the full amount of such fine or penalty. If, following an investigation at Client's request, it is mutually agreed that a false alarm was caused by Company, the amount of the fine or penalty paid by Client shall be credited to Client's account. Should the System excessively signal Company's monitoring facility as a result of any cause other than Company's sole negligence, Client authorizes Company to: (i) suspend performance of any of the services; (ii) shut down the panel and/or the System; and (iii) render some or all of the equipment incapable of sending a signal locally or communicating with any monitoring facility while the Parties investigate the source of the excessive signaling.

C. The payments set forth in the Ordering Document may include telephone company line charges, if required. Company may immediately increase its monthly charges to reflect such increased line charges for the Client facility covered by this Agreement. Client shall also pay any telephone company toll line charges incurred by the operation of the System.

D. Installation charges set forth in an Ordering Document assume installation will be performed during Company's Normal Working Hours and using its own personnel. If Client requests the installation or any part thereof to be performed outside of Company Normal Working Hours, or by Client specified contractors, or if Company's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.

E. If any governmental agency, or any updated technology standards (including but not limited to cellular signal sunset), require any changes in the System originally installed for compliance requirements and/or continued functionality, Client agrees to pay for such changes. It is Client's responsibility to obtain all alarm use permits required by the local jurisdiction.

F. The prices quoted for the System are based upon the number of components, type of security and service specified in the Ordering Document. Should Client request or require additional protection, security devices or services, this may affect the final contract price. Cost associated with conditions not apparent at Company's initial survey and for delays other than caused by Company will be borne by Client at Company's then current rates.

G. Client shall pay the greater of (i) any penalties or charges incurred by Company; (ii) \$25.00, or (iii) the maximum amount permitted by law; in relation to any not-sufficient-funds (NSF) check submitted by Client.

H. Invoices to Client shall be provided electronically unless otherwise requested by Client. A nominal fee, not to exceed three dollars (\$3.00), may be charged for each paper invoice mailed.

I. Company may make periodic searches at credit reporting agencies and fraud prevention agencies and reserves the right to change payment terms based upon information obtained in the searches.

6. Liquidated Damages and Company's Limits of Liability.

A. THE PARTIES AGREE THAT (I) COMPANY IS PROVIDING A SYSTEM AND/OR SERVICE DESIGNED TO REDUCE THE RISK OF LOSS ONLY; (II) THE PAYMENTS PROVIDED FOR HEREIN ARE BASED SOLELY ON THE VALUE OF THE SYSTEM AND/OR SERVICES AS DESCRIBED HEREIN AND ARE UNRELATED TO THE VALUE OF ANY PROPERTY LOCATED ON CLIENT'S PREMISES; (III) COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY SYSTEM PROVIDED OR SERVICED BY COMPANY OR THAT COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN THE MONITORING, REPAIRING, SIGNAL HANDLING OR DISPATCHING ASPECTS OF THE SERVICE, EVEN IF DUE TO COMPANY'S NEGLIGENCE OR FAILURE OF PERFORMANCE; (V) COMPANY IS NOT LIABLE FOR LOSSES RESULTING FROM FAILURE TO WARN OR INADEQUATE TRAINING; (VI) COMPANY IS NOT AN INSURER; AND (VII) INSURANCE COVERING PERSONAL INJURY, PROPERTY LOSS, AND DAMAGE TO AND ON CLIENT'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY CLIENT. CLIENT UNDERSTANDS THAT (A) IT IS CLIENT'S DUTY TO PURCHASE SUCH INSURANCE; AND (B) COMPANY OFFERS SEVERAL LEVELS OF PROTECTION AND SERVICES AND THAT THE SYSTEM AND/OR SERVICE DESCRIBED IN THE ORDERING DOCUMENT HAS BEEN CHOSEN BY CLIENT AFTER CONSIDERING AND BALANCING THE LEVELS OF PROTECTION AFFORDED BY VARIOUS SYSTEMS AND THE RELATED COSTS. THIS AGREEMENT SHALL CONFER NO RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE, WITH THE EXCEPTION OF THIRD PARTIES IDENTIFIED IN THIS SECTION 6.

B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CLIENT'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CLIENT DATA, INABILITY OF COMPANY TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CLIENT'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF SECTION 6(A) IS JUDICIALLY DETERMINED TO BE INVALID, UNENFORCEABLE, OR IS OTHERWISE NOT ENFORCED, AND ANY LIABILITY IS JUDICIALLY IMPOSED ON COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, COMPANY'S LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE COMPANY'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CLIENT WISHES COMPANY TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CLIENT MAY OBTAIN FROM COMPANY AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO COMPANY. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH COMPANY AS AN INSURER.

C. IN NO EVENT WILL COMPANY, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR ANY LOST PROFITS, LOSS OF REVENUE, COST OF COVER, OR ANY CONSEQUENTIAL, INDIRECT, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER, WHETHER SOUNDING IN CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND PRODUCTS LIABILITY), OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR ANY LIMITED REMEDY HEREUNDER.

D. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST COMPANY MORE THAN TWO (2) YEARS AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

E. BECAUSE THE PARTIES AGREE THAT CLIENT RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO CLIENT'S OWN PROPERTY OR THE PROPERTY OF OTHERS ON ITS PREMISES, CLIENT AGREES TO INDEMNIFY AND SAVE HARMLESS COMPANY, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY COMPANY OF ANY SERVICE PROVIDED BY COMPANY, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

F. WITH RESPECT TO LEASED SYSTEMS, CLIENT EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CLIENT UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CLIENT BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY COMPANY'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.

G. This Section 6 shall apply to any other company or entity, and the work it performs, which furnishes, as a subcontractor or otherwise, any installation, repairs, maintenance, monitoring or other services provided hereunder.

7. Limited Equipment Warranty.

A. Where Client purchases a System under this Agreement, unless Client has purchased a service plan that commences from the date of installation, Company warrants to Client that the equipment provided will conform to its associated documentation under normal use and operating conditions for a period of ninety (90) from the date of Acceptance. If, during this warranty period, any of the equipment or parts are

defective or malfunction, they will be repaired or replaced, at Company's sole option, free of charge. Warranty repair is provided during Company's Normal Working Hours. This warranty will not apply if the damage or malfunction occurs due to (i) adjustments, additions, alternations, abuse, misuse or tampering of the System by the Client (ii) System operation or use contrary to the operating instructions; (iii) software used with an operating system other than that specified by Company or its original equipment manufacturer ("OEM"); (iv) performance issues relating to the use of Client's data network(s); (v) power fluctuations; or (vi) any other cause not within the cause or control of Company. If inspection by Company fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Client's expense and Company's regular service charges will apply.

B. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY, COMPANY MAKES NO OTHER WARRANTIES AND HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OR USAGE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, OR QUIET ENJOYMENT AND ANY WARRANTY THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. COMPANY MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CLIENT'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

C. STATE LAW. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY. THE WARRANTY PROVIDES SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. Software License.

Client's use of any computer application, program, and/or documentation (collectively "Software") provided hereunder is owned by Company, its affiliates or one of its OEMs and is protected by United States and international copyright laws and international treaty provisions, and is governed by the terms and conditions of any license included in or with such software (including but not limited to a click-wrap or shrink-wrap agreement) or as appears on a web site as of the date that the Client signs the Ordering Document referencing this Agreement. If Client does not agree to abide by such terms, then Client should not install or use such Software. Any breach of this Agreement will automatically terminate the Client's right to use the software. Client may not copy the software other than in accordance with the terms and conditions of the applicable end user software license agreement. Client may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any software. Client acknowledges that any breach of this Section 8 shall result in irreparable injury to Company for which the amount of damages would be unascertainable. Therefore, Company may, in addition to pursuing any and all remedies provided by law, seek an injunction against Client from any court having jurisdiction, restraining any violation of this Section 8.

9. Further Obligations of Client.

A. Client, at its own expense, shall supply appropriate unswitched AC electric power, outlets for such power, located according to Company's requirements, and telephone company interconnection jacks, if required.

B. Client shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment, or otherwise interfere with System(s) installed by Company, nor shall Client permit the same to be done by others. It is further agreed that CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FOR ANY CLAIM ARISING OUT OF THE FOREGOING, and that if any work is required to be performed by Company due to Client's breach of the foregoing obligations, Client will pay Company for such work in accordance with Company's then current prevailing charges.

C. For those premises where Company is to provide monitoring services, Client shall be solely responsible for providing to and updating Company with the information required to provide the services hereunder, including but not limited to a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Client during scheduled closed periods, instructions on order of contacting individuals and authorities in case of an alarm signal or other type of signal, an authorized daily and holiday opening and closing schedule; authorized contacts and accurate contact information ("Action Plan"). Client agrees that telephone calls and video received or transmitted by the Client Service Center, including the receipt and transmission of alarm signals, may be electronically recorded by Company. Client consents to such recording and will inform its employees and appropriate third parties that such recordings are authorized.

D. Client is solely responsible for activating any intrusion alarm System at such times as Client shall close its premises. Client shall regularly test its System(s), including conducting walk tests of any motion detection equipment, and shall immediately report to Company any claimed inadequacy in, or failure of, any System.

E. Client shall permit Company access to the premises for any reason arising out of, or in connection with, Company's rights or obligations under this Agreement.

F. At any time during the Initial Term of this Agreement or any Renewal Term, Company may reasonably determine that equipment being serviced hereunder is obsolete or not otherwise reasonably capable of being maintained in an operable condition as a result of age, volume of use, unavailability of necessary replacement parts or other reason or condition. In such event, upon receipt of written notice or such determination from Company, Client shall either replace the obsolete equipment with new equipment, remove the equipment from the scope of coverage of this Agreement, or agree in writing that such equipment will continue to be serviced hereunder by Company (if Company is able to do so) on a time and materials basis.

G. Should any part of the System be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of Company, any repairs or replacement shall be paid for by Client (ordinary wear and tear excepted in the case of a Leased System).

H. Client represents and warrants that Client is the owner of the premises or, if not, that the owner agrees and consents to the installation of the System on the premises. Client shall indemnify and hold Company harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from Company's inability to recover Leased System components when Client moves out of the premises.

I. For those premises where Company is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Client warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Client's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with Company's signaling devices. Client further agrees to furnish any necessary water through Client's meter and at Client's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.

J. For those premises where the System transmits video Client shall (i) provide and maintain adequate power and lighting for all cameras or other video-related equipment; (ii) instruct all personnel who may use the service or the System of any of the limitations respecting the service or the System as set forth in an agreement or otherwise; (iii) take all steps necessary to inform any person who may be the subject of any video and/or audio monitoring of the possibility of such monitoring including the prominent and conspicuous display of signs or the broadcasting of periodic or intrusion-related aural announcements informing any such person of the audio and/or video monitoring while on the premises; (iv) not use or permit the use of video data transmitted or received from cameras installed with a view where any person may have a reasonable expectation of privacy including restrooms, dressing or changing areas, locker rooms or similar areas; (v) use the service and video transmitted from a System only for the intended purpose of providing security surveillance or management services and for no other purpose; (vi) not use the services or video transmitted from a System for any criminal, illegal or otherwise unlawful activity, including invasion of or intrusion upon the privacy or seclusion or the private affairs of another or eavesdropping or for viewing, transmitting or storing sexually explicit materials; and (vii) obtain and keep in effect all permits or licenses required for the installation and operation of the System or use of the service.

K. It is mutually agreed that the Client assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Client's premises.

L. Client represents that, except to the extent it has given Company written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Client) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond Company's reasonable control and Company shall not start, or continue, to perform its work under this Agreement until Client has remedied the unsafe or unlawful condition at Client's sole expense. CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM SUCH UNSAFE OR UNLAWFUL CONDITIONS (REGARDLESS OF WHETHER OR NOT CLIENT DISCLOSED SUCH MATERIALS TO COMPANY). Client further represents that it is not subject to any economic or trade sanctions and will immediately notify Company if it becomes subject to such sanctions, in which event Company shall be entitled to immediately terminate this Agreement.

10. **Obligations of Company; Limitations.**

A. Neither party shall be held responsible or liable for delay in installation of the System or interruption of service due to strikes, lockouts, riots, floods, fires, lightning, acts of God, pandemics, endemics, supply chain issues and shortages, or any cause beyond the control of such party, including interruptions in internet, telephone, or other telecommunications service (each a "**Force Majeure**"). Company will not be required to perform installation or supply service to Client while any such cause shall continue. If such Force Majeure event continues for more than thirty (30) days, either party may terminate this Agreement without liability as of the date specified in a written notice to the other party.

B. For those premises where monitoring service is provided, Company, upon receipt of an alarm signal from Client's premises, shall (unless previously instructed otherwise by Client), follow the Action Plan. If no Action Plan is in place, Company shall make a reasonable effort to notify Client and/or the pertinent authorities of the alarm, with the exception that Company shall clear the alarm signal if, through video or audio verification, Company determines an emergency does not exist.

C. Company reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals, unless expressly prohibited by local authorities. If Client requires phone notification for non-emergency signals, Client agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal business hours unless expressly requested otherwise by Client.

D. Company may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. Company and Client are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the System. Company reserves the right to discontinue or change any particular response service due to such governmental requirements or any insurance requirements without notice. Client consents to the tape and video recording of telephonic and video communications between Client's premises and Company, and Client will inform its employees and third parties that such recordings are authorized. If Client's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Client agrees to subscribe to such service if provided by Company, or otherwise comply with such requirements, and an additional fee may apply for such services.

E. If a service plan or software support option is purchased by Client, Company will provide and install software updates during Company's Normal Working Hours, as they become commercially available. Software updates that do not apply to the Client's current operations, as determined by Company and the OEM, will not be installed by Company. Software upgrades shall be made available for purchase. In the event

the Client elects to have someone other than Company install a software update or upgrade, Client shall assume any and all liability for damage caused pursuant to the installation. Service and updates for third party software not supplied by Company are excluded from this Agreement.

11. Communication Limitations.

A. Client understands that if any System installed under this Agreement is monitored, due to the nature of the method used for communicating alarm signals to the Client Service Center there may be times when that communication method is not able to transmit signals and Company will not receive alarm signals. Digital communicators use standard telephone lines and Company does not receive signals when the telephone systems become non-operational or the telephone line is placed on vacation status, cut, interfered with, or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems, or any Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communication channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Client understands that Company offers several levels of communication methods of alarm signals to the Client Service Center and that the services described on the Ordering Document have been chosen by Client after considering and balancing the levels of protection afforded by various communication methods and the related costs. Client acknowledges and agrees that Client is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond Company's control and are maintained and serviced, solely by the applicable carrier or provider. Client agrees to reimburse Company for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the System. Such services should be installed on a telephone number that is not used for alarm signal transmission. Client agrees to notify Company if Client has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.

B. For those premises where card access security is provided, Company assumes no responsibility or liability for lost or stolen access cards.C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

12. Title to Equipment and Use of Leased Equipment.

A. If Client purchases a System, Client agrees that Company retains a security interest in the System until the full purchase price is paid.

B. Any Leased System installed on the Client's premises shall at all times remain solely the property of Company and Client agrees not to permit the attachment thereto of any equipment not furnished by Company. It is further understood and agreed that Company may remove, disable, or abandon all or any part of the Leased System, including all wiring installed by Company upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise, without any obligation to repair or redecorate any portion of the protected premises, provided that such removal, disablement, or abandonment shall not be held to constitute a waiver of the right of Company to collect any charges which have accrued hereunder. Client shall have no right, title or interest in the Leased System outside of the leasehold interest created by the Ordering Documents.

C. Client shall keep all Leased Systems at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Client shall give Company immediate notice of any such attachment or other judicial process affecting any of the equipment. Without Company's written permission, Client shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without Company's prior written consent, then all the new equipment shall become equipment owned by Company subject to this Agreement and the applicable Schedule.

13. Termination.

A. Company may terminate this Agreement:

- i. Immediately, upon written notice, in the event Client defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, and fails to cure or remedy the default within thirty (30) calendar days from receipt date of written notice by Company of such default. If Company terminates under this Section 13(A)(i), the balance of all monies due and for the unexpired term of orders subject to this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii. immediately, upon written notice, in the event the Client Service Center, the telephone lines, wires, or Company's equipment within Client premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Client's premises; or
- iii. as provided in Section 2 relating to expiration.

B. Client may terminate this Agreement:

- i. immediately, upon written notice for any individual location in the event the Client location is, by any cause beyond the control of Client, destroyed or so substantially damaged that it is commercially impractical for Client to continue any operations at such location;

Quote Page # 12 of 14

- ii. if Company materially breaches this Agreement, and such material breach is not cured within thirty (30) days of written notification by Client of such material breach;
 - iii. as provided in Section 2 relating to expiration.
- C. In the event of any termination under this Section 13,
- i. if Client is using Leased Equipment, Client must pay Company all payments remaining to be made under this Agreement through its scheduled expiration;
 - ii. Client shall permit Company access to Client's premises in order to deactivate any signaling device, and/or to remove or disable the System pursuant to Section 12;
 - iii. written notification by facsimile, U.S. mail or by courier shall be acceptable.
- D. The provisions that by their express terms or nature continue and surviving, including the payment and taxes terms, the limitation on liability, consequential damages waiver, warranty disclaimer, insurance and waiver of subrogation, severability and savings, jury trial waiver, entire agreement and governing law provision, will survive any termination, expiration or cancellation of this Agreement.

14. Assignment.

This Agreement and the rights hereunder are not assignable by the Client, except upon written consent of Company first being obtained. Company shall have the right to assign its rights under this Agreement without the consent of, but with notification to, the Client. Any attempted assignment in violation of this Section 14 is void.

15. Subcontracting.

Company may, in its sole discretion, subcontract any of Company's obligations under this Agreement.

16. Insurance and Waiver of Subrogation.

Client shall obtain, and maintain, insurance coverage and/or an appropriate self-insurance program to cover all losses, damage, or injury Client may sustain in security-related incidents. Client shall look solely to its insurer for recovery of security incident related losses and hereby waives any and all claims for such losses against Company. Client agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

17. Severability and Savings.

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

18. Non-Solicitation.

During the term of this Agreement and for a period of not less than one (1) year following its expiration or termination, both parties agree not to solicit as an employee, consultant, agent, subcontractor and/or representative (hereinafter "**Employee**") any person who is an Employee of the other party at the time of such solicitation. If this covenant is breached, the non-breaching party will be entitled to seek injunctive relief to be issued by any court of equity having jurisdiction to enjoin and restrain the breaching party and the subject Employee, and each and every other person concerned therein from further violation thereof, and in addition thereto, if a court finds a violation of this clause, the non-breaching party will be entitled to liquidated damages, due to the difficulty of proof of actual damages, against the breaching party in the amount of the hired employee's fully loaded salary, including benefits, bonuses, commissions, stock grants, the cost of training and other similar fully loaded elements. Both parties acknowledge that such amount is reasonable, not a penalty and not disproportionate to the presumed investment in the training of such Employee and the damages suffered by the non-breaching party. Solicitation through advertisements directed at the general public or through independent recruiters who contact a party's Employee without the party's knowledge will not be considered solicitations for purposes of this paragraph.

19. Electronic Signature.

The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

20. Choice of Law.

This Agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principles that would require the application of any other law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

21. Waivers.

A. Jury Trial Waiver. Both parties to this Agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect to any litigation arising out of, under, in connection with, or relating to this Agreement.

B. Terrorism Waiver. In no event will either Party or its insurers be liable to the other Party for loss or damage arising from or related to any acts of terrorism. The Parties intend for this waiver to "flow down" to their respective contractors.

22. Confidentiality

A. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party non-public information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information that the receiving party knows or reasonably should know is confidential to the disclosing party or its affiliates, whether orally or in written, electronic, or other form or media/in written or electronic form or media, whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure, is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third-party; or (d) independently developed by the receiving party.

B. Non-Disclosure. The receiving party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party

making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

C. Return or Destruction. On the expiration or termination of this Agreement, the receiving party shall, to the extent practicable, promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

23. Miscellaneous

A. The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement, which shall be considered as a whole.

B. The word "including", when used herein, is illustrative rather than exclusive and means "including, without limitation."

C. Any written notifications to Company shall be directed to 8350 Sunlight Drive, Fishers, IN 46037, Attn: Counsel. Any written notifications to Client shall be directed to the address identified in the first paragraph of this Agreement.

24. Entire Agreement.

This Agreement, including any attached Ordering Documents and Exhibits (which are incorporated by reference), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to such subject matter. This Agreement may not be changed, modified, or varied except in a writing that both identifies itself as an amendment to this Agreement and is signed by an authorized representative of Company. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Client. Client hereby acknowledges that Client has read this entire Agreement and agrees to be bound by all its terms and conditions.

IMPORTANT INFORMATION FOR PURCHASERS OF ALARM SYSTEMS AND SERVICES IN THE STATE OF CALIFORNIA

Company is a licensed alarm company operator as defined in the California Alarm Company Act (the "Act") and is regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Post Office Box 980550, West Sacramento, CA 95798-0550, Phone (916) 322-4000. Company shall provide Client a fully executed copy of the Agreement before any work is done. Upon completion of the installation of the alarm system, Company shall thoroughly instruct Client in the proper use of the alarm system. Company reserves the right, in the event of non-payment, to assert a mechanic's lien against the Premises. In the event of the assertion of such a lien, Company must provide notice to Client and record the lien and/or payment bonds (if applicable) in accordance with California law. Client has the right to dispute such a lien based on whether legal requirements with respect to such a lien are satisfied.

California License # of Sales Agent (if applicable): _____

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this agreement by their signatures below on the dates indicated:

SECURITAS TECHNOLOGY CORPORATION

By:

Name:

Title:

Date:

Customer: SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

By:

Name:

Title:

Date:

Prepared For:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT - REDLANDS, CA - NEW ACCESS

BETSY MILLER
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503
bmiller@sbvxcd.org

Prepared By:

Securitas Technology Corporation
3800 Tabs Drive
Uniontown, OH 44685
Justin Gonzales
Security Sales Consultant
(951) 379-2706
justin.gonzales@securitas.com

Project Site:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503

REDLANDS PLAZA - 1630 W REDLANDS BLVD, REDLANDS, CA 92373

INTERCOM

INSTALLING 1 7IN VANDAL RESISTANT AIPHONE INTERCOM SYSTEM

CUSTOMER WILL HAVE THE ABILITY TO VIEW WHEN SOMEONE IS AT THE DOOR AND COMMUNICATE WITH THEM ALONG WITH ALLOWING THEM ACCESS TO THE BUILDING.

SECURITAS TECHNOLOGY TO TRAIN CUSTOMER ON AIPHONE INTERCOM SYSTEM

ACCESS CONTROL

INSTALLING 1 BRIVO ONAIR ACS100 SINGLE IP DOOR CONTROLLER, 1 BRIVO MULLION TRI TECH READERS, 1 SURFACE MNT DPDT COMMERCIAL CONTACT, 1 POWER SUPPLIES, 1 BATTERY

ACS100 SINGLE IP DOOR CONTROLLER TO BE INSTALLED IN THE IT ROOM

ACCESS CONTROL WILL BE PROVIDED AT THE FOLLOWING DOORS ACCORDING TO DRAWING
-ENTRANCE GLASS DOOR - DOOR 1 (ACCORDING TO DRAWING)

PER BRIVO TECH SUPPORT ONLY CAT5 CABLE IS NEEDED FOR THIS INSTALL

*** ENTRANCE GLASS DOOR IS ALREADY ELECTRIFIED ASSUMING IT IS NONFUNCTIONAL DURING INSTALL
ADDITIONAL COST WILL APPLY

ENTRANCE GLASS DOOR WILL HAVE THE FOLLOWING EQUIPMENT:

- BRIVO MULLION TRI TECH READER
- ELECTRONIC LOCKING HARDWARE

SECURITAS TECHNOLOGY/NOC TO ACTIVATE MOBILE PASSES PRIOR TO GOING ONSITE

SECURITAS TECHNOLOGY WILL TRAIN CUSTOMER ON FUNCTIONALITY OF THE BRIVO ACCESS CONTROL SYSTEM

***CUSTOMER WILL HAVE THE ABILITY TO OPEN DOOR FROM THERE MOBILE DEVICE

Labor Schedule

Categories	Extended Sell
Internal Project Preparation and Management	

Subcontracting & Cable Schedule

Categories	Qty	Unit	Price
------------	-----	------	-------

Part Cables:

Additional Cables and Locks:

1 Service and Support Schedules:

Service and Support Schedule

Categories	Qty	Internal Part #	Monthly Charges
Cloud Access Standard Edition Tier 1	1	B-ACS-RDR-S1	\$23.00

SES Cloud Access Service for reader 1-2 on the account allows ability to remotely control and manage an access system from client smartphone. Includes management of multiple doors and locations, manage users, unlimited site, device and door capacity, unlimited administrators, real-time notifications, customized security reports, and more. Service requires equipment, including access control system, door locking hardware and internet connectivity priced separately. client to provide mobile phone devices with applicable cell phone service coverage, client employee training and customization information required for service.

Standard Service Plan	1	CP OPTION A	\$34.28
-----------------------	---	-------------	---------

Plan coverage includes troubleshooting, diagnosis, adjustment, repair and/or replacement, if required, of non-functioning security system devices covered and listed per contract terms. Service is for repair purposes only and covers normal wear and tear. Coverage does not include battery replacement(s), lift or specialty rentals, system upgrades, add ons, technology enhancements, equipment obsolescence, Acts of God, vandalism, customer or third-party alterations or misuse, and other exemptions as identified per contract terms, which will be billed at SES prevailing service rates. Plan covers labor during normal business hours (Monday thru Friday, 8am-5pm local time); does not include national holidays, weekends or after hours service, which will be billed at SES prevailing hourly rates. Customer required to provide free and clear access to equipment and the ability to perform repair services as necessary. Customer is responsible to perform their own onsite device and signal testing to identify and report any system malfunctions or service repair needs.

Cloud Access Mobile Passes - 1000

1

B-MP-1000

\$67.45

Service provides up to 1000 Mobile Passes for a single Brivo Onair account and allows ability to manage access system credentials from customer smartphone. Service includes single-tap function for door access, one credential to manage multiple facilities, create favorites doors list, use Siri voice commands for hands-free access and provide for 2-factor authentication if required. Customer to provide mobile phone devices with Bluetooth functionality, applicable cell phone service coverage, customer employee training and customization information required for service. A Brivo Mobile Pass app license is required per user; each user must download app for service functionality. App licenses are transferable. Service requires equipment, including access control system and Brivo Onair cloud service priced separately.



2 Purchase Investment Summary:

Total: \$4,650.07

*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Billing Terms:

100% Upon completion of Installation. Payment Terms: Due thirty (30) days after receipt of invoice or as otherwise set forth in the agreement between the parties.

Service and Support Schedule(Monthly per Location): \$124.73

Note: Billing for all Services, including applicable Service Plans, will be begin upon installation completion or in-service date.

Customer agrees to pay Securitas Technology Corporation this monthly sum, plus all applicable taxes, per location, for the Services indicated on the Service & Support Schedule, prepaid Quarterly for a period of 5 year(s).

This proposal is valid for 30 days

Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: justin.gonzales@securitas.com

Please issue any Purchase Order or other contract documents to Securitas Technology Corporation

Customer Expected Completion Date:

This Agreement shall not become binding on Securitas Technology Corporation until approved and accepted by Securitas Technology Corporation management as provided below.

Seller:

Buyer:

Securitas Technology Corporation

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Company

Trade, partnership or corporate name if different from above.

21803 CACTUS AVE, SUITE A

1630 W REDLANDS BLVD STE A

RIVERSIDE CA92518

REDLANDS CA 92373

Address

Address

Justin Gonzales, Security Sales Consultant

BETSY MILLER

Account Representative Name & Title

Name & Title

Securitas Technology Corporation Management

Authorized Signature Date

Securitas Technology Corporation Management Signature Date



MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is made and entered into this 07-14-2023 (the "**Effective Date**") by and between Securitas Technology Corporation, with its principal place of business located at 8350 Sunlight Drive, Fishers, IN 46037 ("**Company**") and SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, with its principal place of business located at 1630 W REDLANDS BLVD STE A, REDLANDS, CA, 92373 (herein after referred to as "**Client**")

1. System and Services.

Company agrees to sell, install, monitor and/or repair (collectively and individually referred to as "**Services**") security systems and the components comprising such systems (collectively and individually referred to as "**System(s)**") as described in an "**Ordering Document**", which can include but is not limited to a Schedule of Service and Protection, Schedule of Installation and Services, purchase order or statement of work, as accepted by Company during the term of this Agreement and at various premises of Client. Each Ordering Document, once submitted by Client and accepted by Company, will become part of and governed by this Agreement. If there is no service plan provided for in the Ordering Document, then service will be provided on a time and material basis during the hours of 8:00 a.m. to 5:00 p.m. (local time to where the work is performed) Monday through Friday, excluding Company holidays ("**Company's Normal Working Hours**"), at Company's then current rates. The terms of this Agreement shall apply only to Systems and Services at locations identified on an Ordering Document under this Agreement. If Client has existing locations currently using Company Systems and/or Services that are identified on an Ordering Document, the terms and conditions of this Agreement shall cancel and supersede all prior proposals or agreements at those locations, whether oral or written with respect thereto.

2. Term, Renewal, and Expiration.

This Agreement is effective as of its execution date and, for use of the System and services, shall have an initial term beginning on the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months after the Effective Date (the "**Initial Term**"). Unless expressly provided otherwise herein, to the extent that the terms of any Ordering Document conflict with the terms of this Agreement, the terms of this Agreement will control. After the Initial Term expires, this Agreement will automatically be renewed as consecutive one (1) year terms, except where prohibited by applicable law, in which case the Agreement will renew from month to month (any such term being a "**Renewal Term**"), unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term or the Renewal Term. This Agreement shall control all new locations specified in any Ordering Document for a period of sixty (60) months from the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months thereafter and will automatically renew as set forth above, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the expiration date of the then-current Initial Term or Renewal Term. Provided, however, that if this Agreement has terminated or expired prior to the end of the Initial Term or any renewal term of such Ordering Document location, the terms and conditions of this Agreement (other than the renewal provisions thereof) shall nevertheless be applicable to the rights and obligations of Company and the Client, as to the providing of services to any such Ordering Document locations.

3. Acceptance and Transfer of Title.

Title, risk of loss, and the right to use a System will pass to Client upon Client's Acceptance thereof according to this Section 3. Notwithstanding the foregoing, under no circumstances will title to any software pass to Client. Client will be deemed to have accepted the Systems provided hereunder according to the following ("**Acceptance**"):

A. . For an installed System, Client shall have ten (10) days (unless a longer period of time is specified in the applicable Ordering Document) following the completion of installation of the System(s) and Company's determination that the System is in operable condition, capable of functioning according to Company's standards and specifications, and communicating with Company's central station(s)/monitoring center(s) (collectively "**Client Service Center**" or "**Center**") (if applicable) to accept the System (the "**Acceptance Period**"). If Client accepts the System, Client shall execute Company's Certificate of Completion or other user acceptance document (each a "**COC**"). If the System does not materially comply with the Ordering Document, Client may deny Acceptance by providing a written notice specifying in detail the reasons the System fails to meet the relevant criteria ("**Deficiency Notice**"). Company will correct any material deficiencies and will retender the System to Client for review and approval as soon as reasonably practicable. The foregoing described process shall repeat until Company corrects all material deficiencies and the System materially complies with the Ordering Document. If no Deficiency Notice is received by Company within the Acceptance Period, or if the System is utilized for purposes other than testing, regardless of whether Client executes Company's COC, the System shall be deemed accepted by Client. Company shall have no obligation to allow return or grant a refund for any part of a System that has been accepted by Client.

B. . For a shipped order that does not include installation (a.k.a. a box sale), Client's Acceptance shall be deemed to occur, and title and risk of loss shall transfer to Client, upon the System being shipped from Company's shipping point to Client's location.

4. Payment and Pricing Adjustments.

A. Payment. Client agrees to pay Company:

- i. for the sale and installation of the System as provided in the applicable Ordering Document;
- ii. for any System that is not purchased outright (a "**Leased System**"), Client acknowledges that the cost of the Leased System and installation labor is incorporated into the monthly fees set forth on the Ordering Document. Following the expiration of the Initial Term of the relevant Ordering Document, Client may contact Company to request a buy-out of the Leased System, whereby ownership of the Leased System would be transferred to Client, and to renegotiate the monthly fee. Unless and until a buy-out occurs, Company retains ownership of a Leased System. Client hereby authorizes Company to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Client's behalf and to file such documents in all places where necessary to perfect Company's interest in the Leased System. Client agrees to execute any such instruments as Company may request from time to time.

iii. for the monitoring, servicing and/or repairing of the System as provided in an Ordering Document, commencing from the date of Client's Acceptance; and

iv. for any interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the System becomes operative until the first of the following month. Payments for services are due sixty (60) months, in advance, commencing from the first day of the month following the date of Client's Acceptance.

B. Payment Terms, Collections. Payments are due thirty (30) days from the invoice date. Failure to pay amounts when due shall give Company the right to charge interest at the rate of 1½% per month, or other maximum permitted by law, on any delinquent balance. Should Company be required to retain an attorney or file suit with respect to collection of any amounts due, Client shall be responsible for payment of Company's attorney fees and expenses related to such collection efforts. Company reserves the right, upon seven (7) days written notice to Client, to suspend all services while Client's account is delinquent.

C. Progress Billing. If the price of a single project exceeds fifty thousand dollars (\$50,000.00), Company shall have the right to submit invoices for progress payments based on percentage of work completed for such project.

D. Pricing Adjustments. Company shall have the right to make any or all of the following pricing adjustments subject to the limitations set forth below:

i. Client agrees that at any time following expiration of (12) months from the Effective Date of this Agreement or from the date of Client's Acceptance of a System at a new location, Company may increase the monthly charges set forth in the applicable Ordering Document once a year, for the balance of the term and any renewal thereof. If Company increases the monthly charges by an amount greater than nine percent (9%), Client's sole remedy with respect to such increase is to terminate this Agreement upon written notice to Company within fifteen (15) days of the earlier of the first invoice reflecting such increase or any other notification to Client of the increase.

ii. Company reserves the right to, no more often than once annually and no sooner than six (6) months from the Effective Date, adjust any pricing under this Agreement, including but not limited to equipment, fees and labor rates, in the event that the Consumer Price Index-All Urban Workers (the "CPI") increases by greater than three percent (3%) between the Effective Date and the time of such adjustment. The percentage of such adjustment may be up to the percentage increase of the CPI.

iii. Company reserves the right to increase any pricing, after an Ordering Document is executed, to the extent that the price to Company of such item has been increased by Company's supplier. Client's sole remedy with respect to such an increase is to cancel the subject Ordering Document.

5. Miscellaneous Charges and Increase in Charges.

A. The prices given to Client are exclusive of taxes and Client shall be responsible for paying for any applicable City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to Company for facilities required for transmission of signals under this Agreement.

B. At Company's option, a fee may be charged for any unnecessary service run or false alarm. If either Client or Company is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Client shall pay the full amount of such fine or penalty. If, following an investigation at Client's request, it is mutually agreed that a false alarm was caused by Company, the amount of the fine or penalty paid by Client shall be credited to Client's account. Should the System excessively signal Company's monitoring facility as a result of any cause other than Company's sole negligence, Client authorizes Company to: (i) suspend performance of any of the services; (ii) shut down the panel and/or the System; and (iii) render some or all of the equipment incapable of sending a signal locally or communicating with any monitoring facility while the Parties investigate the source of the excessive signaling.

C. The payments set forth in the Ordering Document may include telephone company line charges, if required. Company may immediately increase its monthly charges to reflect such increased line charges for the Client facility covered by this Agreement. Client shall also pay any telephone company toll line charges incurred by the operation of the System.

D. Installation charges set forth in an Ordering Document assume installation will be performed during Company's Normal Working Hours and using its own personnel. If Client requests the installation or any part thereof to be performed outside of Company Normal Working Hours, or by Client specified contractors, or if Company's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.

E. If any governmental agency, or any updated technology standards (including but not limited to cellular signal sunset), require any changes in the System originally installed for compliance requirements and/or continued functionality, Client agrees to pay for such changes. It is Client's responsibility to obtain all alarm use permits required by the local jurisdiction.

F. The prices quoted for the System are based upon the number of components, type of security and service specified in the Ordering Document. Should Client request or require additional protection, security devices or services, this may affect the final contract price. Cost associated with conditions not apparent at Company's initial survey and for delays other than caused by Company will be borne by Client at Company's then current rates.

G. Client shall pay the greater of (i) any penalties or charges incurred by Company; (ii) \$25.00, or (iii) the maximum amount permitted by law; in relation to any not-sufficient-funds (NSF) check submitted by Client.

H. Invoices to Client shall be provided electronically unless otherwise requested by Client. A nominal fee, not to exceed three dollars (\$3.00), may be charged for each paper invoice mailed.

I. Company may make periodic searches at credit reporting agencies and fraud prevention agencies and reserves the right to change payment terms based upon information obtained in the searches.

6. Liquidated Damages and Company's Limits of Liability.

A. THE PARTIES AGREE THAT (I) COMPANY IS PROVIDING A SYSTEM AND/OR SERVICE DESIGNED TO REDUCE THE RISK OF LOSS ONLY; (II) THE PAYMENTS PROVIDED FOR HEREIN ARE BASED SOLELY ON THE VALUE OF THE SYSTEM AND/OR SERVICES AS DESCRIBED HEREIN AND ARE UNRELATED TO THE VALUE OF ANY PROPERTY LOCATED ON CLIENT'S PREMISES; (III) COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY SYSTEM PROVIDED OR SERVICED BY COMPANY OR THAT COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN THE MONITORING, REPAIRING, SIGNAL HANDLING OR DISPATCHING ASPECTS OF THE SERVICE, EVEN IF DUE TO COMPANY'S NEGLIGENCE OR FAILURE OF PERFORMANCE; (V) COMPANY IS NOT LIABLE FOR LOSSES RESULTING FROM FAILURE TO WARN OR INADEQUATE TRAINING; (VI) COMPANY IS NOT AN INSURER; AND (VII) INSURANCE COVERING PERSONAL INJURY, PROPERTY LOSS, AND DAMAGE TO AND ON CLIENT'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY CLIENT. CLIENT UNDERSTANDS THAT (A) IT IS CLIENT'S DUTY TO PURCHASE SUCH INSURANCE; AND (B) COMPANY OFFERS SEVERAL LEVELS OF PROTECTION AND SERVICES AND THAT THE SYSTEM AND/OR SERVICE DESCRIBED IN THE ORDERING DOCUMENT HAS BEEN CHOSEN BY CLIENT AFTER CONSIDERING AND BALANCING THE LEVELS OF PROTECTION AFFORDED BY VARIOUS SYSTEMS AND THE RELATED COSTS. THIS AGREEMENT SHALL CONFER NO RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE, WITH THE EXCEPTION OF THIRD PARTIES IDENTIFIED IN THIS SECTION 6.

B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CLIENT'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CLIENT DATA, INABILITY OF COMPANY TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CLIENT'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF SECTION 6(A) IS JUDICIALLY DETERMINED TO BE INVALID, UNENFORCEABLE, OR IS OTHERWISE NOT ENFORCED, AND ANY LIABILITY IS JUDICIALLY IMPOSED ON COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, COMPANY'S LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE COMPANY'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CLIENT WISHES COMPANY TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CLIENT MAY OBTAIN FROM COMPANY AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO COMPANY. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH COMPANY AS AN INSURER.

C. IN NO EVENT WILL COMPANY, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR ANY LOST PROFITS, LOSS OF REVENUE, COST OF COVER, OR ANY CONSEQUENTIAL, INDIRECT, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER, WHETHER SOUNDING IN CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND PRODUCTS LIABILITY), OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR ANY LIMITED REMEDY HEREUNDER.

D. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST COMPANY MORE THAN TWO (2) YEARS AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

E. BECAUSE THE PARTIES AGREE THAT CLIENT RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO CLIENT'S OWN PROPERTY OR THE PROPERTY OF OTHERS ON ITS PREMISES, CLIENT AGREES TO INDEMNIFY AND SAVE HARMLESS COMPANY, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY COMPANY OF ANY SERVICE PROVIDED BY COMPANY, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

F. WITH RESPECT TO LEASED SYSTEMS, CLIENT EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CLIENT UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CLIENT BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY COMPANY'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.

G. This Section 6 shall apply to any other company or entity, and the work it performs, which furnishes, as a subcontractor or otherwise, any installation, repairs, maintenance, monitoring or other services provided hereunder.

7. Limited Equipment Warranty.

A. Where Client purchases a System under this Agreement, unless Client has purchased a service plan that commences from the date of installation, Company warrants to Client that the equipment provided will conform to its associated documentation under normal use and operating conditions for a period of ninety (90) from the date of Acceptance. If, during this warranty period, any of the equipment or parts are

defective or malfunction, they will be repaired or replaced, at Company's sole option, free of charge. Warranty repair is provided during Company's Normal Working Hours. This warranty will not apply if the damage or malfunction occurs due to (i) adjustments, additions, alternations, abuse, misuse or tampering of the System by the Client (ii) System operation or use contrary to the operating instructions; (iii) software used with an operating system other than that specified by Company or its original equipment manufacturer ("OEM"); (iv) performance issues relating to the use of Client's data network(s); (v) power fluctuations; or (vi) any other cause not within the cause or control of Company. If inspection by Company fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Client's expense and Company's regular service charges will apply.

B. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY, COMPANY MAKES NO OTHER WARRANTIES AND HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OR USAGE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, OR QUIET ENJOYMENT AND ANY WARRANTY THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. COMPANY MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CLIENT'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

C. STATE LAW. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY. THE WARRANTY PROVIDES SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. Software License.

Client's use of any computer application, program, and/or documentation (collectively "Software") provided hereunder is owned by Company, its affiliates or one of its OEMs and is protected by United States and international copyright laws and international treaty provisions, and is governed by the terms and conditions of any license included in or with such software (including but not limited to a click-wrap or shrink-wrap agreement) or as appears on a web site as of the date that the Client signs the Ordering Document referencing this Agreement. If Client does not agree to abide by such terms, then Client should not install or use such Software. Any breach of this Agreement will automatically terminate the Client's right to use the software. Client may not copy the software other than in accordance with the terms and conditions of the applicable end user software license agreement. Client may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any software. Client acknowledges that any breach of this Section 8 shall result in irreparable injury to Company for which the amount of damages would be unascertainable. Therefore, Company may, in addition to pursuing any and all remedies provided by law, seek an injunction against Client from any court having jurisdiction, restraining any violation of this Section 8.

9. Further Obligations of Client.

A. Client, at its own expense, shall supply appropriate unswitched AC electric power, outlets for such power, located according to Company's requirements, and telephone company interconnection jacks, if required.

B. Client shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment, or otherwise interfere with System(s) installed by Company, nor shall Client permit the same to be done by others. It is further agreed that CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FOR ANY CLAIM ARISING OUT OF THE FOREGOING, and that if any work is required to be performed by Company due to Client's breach of the foregoing obligations, Client will pay Company for such work in accordance with Company's then current prevailing charges.

C. For those premises where Company is to provide monitoring services, Client shall be solely responsible for providing to and updating Company with the information required to provide the services hereunder, including but not limited to a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Client during scheduled closed periods, instructions on order of contacting individuals and authorities in case of an alarm signal or other type of signal, an authorized daily and holiday opening and closing schedule; authorized contacts and accurate contact information ("Action Plan"). Client agrees that telephone calls and video received or transmitted by the Client Service Center, including the receipt and transmission of alarm signals, may be electronically recorded by Company. Client consents to such recording and will inform its employees and appropriate third parties that such recordings are authorized.

D. Client is solely responsible for activating any intrusion alarm System at such times as Client shall close its premises. Client shall regularly test its System(s), including conducting walk tests of any motion detection equipment, and shall immediately report to Company any claimed inadequacy in, or failure of, any System.

E. Client shall permit Company access to the premises for any reason arising out of, or in connection with, Company's rights or obligations under this Agreement.

F. At any time during the Initial Term of this Agreement or any Renewal Term, Company may reasonably determine that equipment being serviced hereunder is obsolete or not otherwise reasonably capable of being maintained in an operable condition as a result of age, volume of use, unavailability of necessary replacement parts or other reason or condition. In such event, upon receipt of written notice or such determination from Company, Client shall either replace the obsolete equipment with new equipment, remove the equipment from the scope of coverage of this Agreement, or agree in writing that such equipment will continue to be serviced hereunder by Company (if Company is able to do so) on a time and materials basis.

G. Should any part of the System be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of Company, any repairs or replacement shall be paid for by Client (ordinary wear and tear excepted in the case of a Leased System).

H. Client represents and warrants that Client is the owner of the premises or, if not, that the owner agrees and consents to the installation of the System on the premises. Client shall indemnify and hold Company harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from Company's inability to recover Leased System components when Client moves out of the premises.

I. For those premises where Company is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Client warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Client's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with Company's signaling devices. Client further agrees to furnish any necessary water through Client's meter and at Client's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.

J. For those premises where the System transmits video Client shall (i) provide and maintain adequate power and lighting for all cameras or other video-related equipment; (ii) instruct all personnel who may use the service or the System of any of the limitations respecting the service or the System as set forth in an agreement or otherwise; (iii) take all steps necessary to inform any person who may be the subject of any video and/or audio monitoring of the possibility of such monitoring including the prominent and conspicuous display of signs or the broadcasting of periodic or intrusion-related aural announcements informing any such person of the audio and/or video monitoring while on the premises; (iv) not use or permit the use of video data transmitted or received from cameras installed with a view where any person may have a reasonable expectation of privacy including restrooms, dressing or changing areas, locker rooms or similar areas; (v) use the service and video transmitted from a System only for the intended purpose of providing security surveillance or management services and for no other purpose; (vi) not use the services or video transmitted from a System for any criminal, illegal or otherwise unlawful activity, including invasion of or intrusion upon the privacy or seclusion or the private affairs of another or eavesdropping or for viewing, transmitting or storing sexually explicit materials; and (vii) obtain and keep in effect all permits or licenses required for the installation and operation of the System or use of the service.

K. It is mutually agreed that the Client assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Client's premises.

L. Client represents that, except to the extent it has given Company written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Client) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond Company's reasonable control and Company shall not start, or continue, to perform its work under this Agreement until Client has remedied the unsafe or unlawful condition at Client's sole expense. CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM SUCH UNSAFE OR UNLAWFUL CONDITIONS (REGARDLESS OF WHETHER OR NOT CLIENT DISCLOSED SUCH MATERIALS TO COMPANY). Client further represents that it is not subject to any economic or trade sanctions and will immediately notify Company if it becomes subject to such sanctions, in which event Company shall be entitled to immediately terminate this Agreement.

10. **Obligations of Company; Limitations.**

A. Neither party shall be held responsible or liable for delay in installation of the System or interruption of service due to strikes, lockouts, riots, floods, fires, lightning, acts of God, pandemics, endemics, supply chain issues and shortages, or any cause beyond the control of such party, including interruptions in internet, telephone, or other telecommunications service (each a "**Force Majeure**"). Company will not be required to perform installation or supply service to Client while any such cause shall continue. If such Force Majeure event continues for more than thirty (30) days, either party may terminate this Agreement without liability as of the date specified in a written notice to the other party.

B. For those premises where monitoring service is provided, Company, upon receipt of an alarm signal from Client's premises, shall (unless previously instructed otherwise by Client), follow the Action Plan. If no Action Plan is in place, Company shall make a reasonable effort to notify Client and/or the pertinent authorities of the alarm, with the exception that Company shall clear the alarm signal if, through video or audio verification, Company determines an emergency does not exist.

C. Company reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals, unless expressly prohibited by local authorities. If Client requires phone notification for non-emergency signals, Client agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal business hours unless expressly requested otherwise by Client.

D. Company may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. Company and Client are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the System. Company reserves the right to discontinue or change any particular response service due to such governmental requirements or any insurance requirements without notice. Client consents to the tape and video recording of telephonic and video communications between Client's premises and Company, and Client will inform its employees and third parties that such recordings are authorized. If Client's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Client agrees to subscribe to such service if provided by Company, or otherwise comply with such requirements, and an additional fee may apply for such services.

E. If a service plan or software support option is purchased by Client, Company will provide and install software updates during Company's Normal Working Hours, as they become commercially available. Software updates that do not apply to the Client's current operations, as determined by Company and the OEM, will not be installed by Company. Software upgrades shall be made available for purchase. In the event

the Client elects to have someone other than Company install a software update or upgrade, Client shall assume any and all liability for damage caused pursuant to the installation. Service and updates for third party software not supplied by Company are excluded from this Agreement.

11. Communication Limitations.

A. Client understands that if any System installed under this Agreement is monitored, due to the nature of the method used for communicating alarm signals to the Client Service Center there may be times when that communication method is not able to transmit signals and Company will not receive alarm signals. Digital communicators use standard telephone lines and Company does not receive signals when the telephone systems become non-operational or the telephone line is placed on vacation status, cut, interfered with, or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems, or any Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communication channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Client understands that Company offers several levels of communication methods of alarm signals to the Client Service Center and that the services described on the Ordering Document have been chosen by Client after considering and balancing the levels of protection afforded by various communication methods and the related costs. Client acknowledges and agrees that Client is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond Company's control and are maintained and serviced, solely by the applicable carrier or provider. Client agrees to reimburse Company for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the System. Such services should be installed on a telephone number that is not used for alarm signal transmission. Client agrees to notify Company if Client has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.

B. For those premises where card access security is provided, Company assumes no responsibility or liability for lost or stolen access cards.C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

12. Title to Equipment and Use of Leased Equipment.

A. If Client purchases a System, Client agrees that Company retains a security interest in the System until the full purchase price is paid.

B. Any Leased System installed on the Client's premises shall at all times remain solely the property of Company and Client agrees not to permit the attachment thereto of any equipment not furnished by Company. It is further understood and agreed that Company may remove, disable, or abandon all or any part of the Leased System, including all wiring installed by Company upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise, without any obligation to repair or redecorate any portion of the protected premises, provided that such removal, disablement, or abandonment shall not be held to constitute a waiver of the right of Company to collect any charges which have accrued hereunder. Client shall have no right, title or interest in the Leased System outside of the leasehold interest created by the Ordering Documents.

C. Client shall keep all Leased Systems at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Client shall give Company immediate notice of any such attachment or other judicial process affecting any of the equipment. Without Company's written permission, Client shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without Company's prior written consent, then all the new equipment shall become equipment owned by Company subject to this Agreement and the applicable Schedule.

13. Termination.

A. Company may terminate this Agreement:

- i. Immediately, upon written notice, in the event Client defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, and fails to cure or remedy the default within thirty (30) calendar days from receipt date of written notice by Company of such default. If Company terminates under this Section 13(A)(i), the balance of all monies due and for the unexpired term of orders subject to this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii. immediately, upon written notice, in the event the Client Service Center, the telephone lines, wires, or Company's equipment within Client premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Client's premises; or
- iii. as provided in Section 2 relating to expiration.

B. Client may terminate this Agreement:

- i. immediately, upon written notice for any individual location in the event the Client location is, by any cause beyond the control of Client, destroyed or so substantially damaged that it is commercially impractical for Client to continue any operations at such location;

Quote Page # 12 of 14

- ii. if Company materially breaches this Agreement, and such material breach is not cured within thirty (30) days of written notification by Client of such material breach;
 - iii. as provided in Section 2 relating to expiration.
- C. In the event of any termination under this Section 13,
- i. if Client is using Leased Equipment, Client must pay Company all payments remaining to be made under this Agreement through its scheduled expiration;
 - ii. Client shall permit Company access to Client's premises in order to deactivate any signaling device, and/or to remove or disable the System pursuant to Section 12;
 - iii. written notification by facsimile, U.S. mail or by courier shall be acceptable.
- D. The provisions that by their express terms or nature continue and surviving, including the payment and taxes terms, the limitation on liability, consequential damages waiver, warranty disclaimer, insurance and waiver of subrogation, severability and savings, jury trial waiver, entire agreement and governing law provision, will survive any termination, expiration or cancellation of this Agreement.

14. Assignment.

This Agreement and the rights hereunder are not assignable by the Client, except upon written consent of Company first being obtained. Company shall have the right to assign its rights under this Agreement without the consent of, but with notification to, the Client. Any attempted assignment in violation of this Section 14 is void.

15. Subcontracting.

Company may, in its sole discretion, subcontract any of Company's obligations under this Agreement.

16. Insurance and Waiver of Subrogation.

Client shall obtain, and maintain, insurance coverage and/or an appropriate self-insurance program to cover all losses, damage, or injury Client may sustain in security-related incidents. Client shall look solely to its insurer for recovery of security incident related losses and hereby waives any and all claims for such losses against Company. Client agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

17. Severability and Savings.

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

18. Non-Solicitation.

During the term of this Agreement and for a period of not less than one (1) year following its expiration or termination, both parties agree not to solicit as an employee, consultant, agent, subcontractor and/or representative (hereinafter "**Employee**") any person who is an Employee of the other party at the time of such solicitation. If this covenant is breached, the non-breaching party will be entitled to seek injunctive relief to be issued by any court of equity having jurisdiction to enjoin and restrain the breaching party and the subject Employee, and each and every other person concerned therein from further violation thereof, and in addition thereto, if a court finds a violation of this clause, the non-breaching party will be entitled to liquidated damages, due to the difficulty of proof of actual damages, against the breaching party in the amount of the hired employee's fully loaded salary, including benefits, bonuses, commissions, stock grants, the cost of training and other similar fully loaded elements. Both parties acknowledge that such amount is reasonable, not a penalty and not disproportionate to the presumed investment in the training of such Employee and the damages suffered by the non-breaching party. Solicitation through advertisements directed at the general public or through independent recruiters who contact a party's Employee without the party's knowledge will not be considered solicitations for purposes of this paragraph.

19. Electronic Signature.

The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

20. Choice of Law.

This Agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principles that would require the application of any other law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

21. Waivers.

A. Jury Trial Waiver. Both parties to this Agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect to any litigation arising out of, under, in connection with, or relating to this Agreement.

B. Terrorism Waiver. In no event will either Party or its insurers be liable to the other Party for loss or damage arising from or related to any acts of terrorism. The Parties intend for this waiver to "flow down" to their respective contractors.

22. Confidentiality

A. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party non-public information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information that the receiving party knows or reasonably should know is confidential to the disclosing party or its affiliates, whether orally or in written, electronic, or other form or media/in written or electronic form or media, whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure, is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third-party; or (d) independently developed by the receiving party.

B. Non-Disclosure. The receiving party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party

making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

C. Return or Destruction. On the expiration or termination of this Agreement, the receiving party shall, to the extent practicable, promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

23. Miscellaneous

A. The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement, which shall be considered as a whole.

B. The word "including", when used herein, is illustrative rather than exclusive and means "including, without limitation."

C. Any written notifications to Company shall be directed to 8350 Sunlight Drive, Fishers, IN 46037, Attn: Counsel. Any written notifications to Client shall be directed to the address identified in the first paragraph of this Agreement.

24. Entire Agreement.

This Agreement, including any attached Ordering Documents and Exhibits (which are incorporated by reference), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to such subject matter. This Agreement may not be changed, modified, or varied except in a writing that both identifies itself as an amendment to this Agreement and is signed by an authorized representative of Company. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Client. Client hereby acknowledges that Client has read this entire Agreement and agrees to be bound by all its terms and conditions.

IMPORTANT INFORMATION FOR PURCHASERS OF ALARM SYSTEMS AND SERVICES IN THE STATE OF CALIFORNIA

Company is a licensed alarm company operator as defined in the California Alarm Company Act (the "Act") and is regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Post Office Box 980550, West Sacramento, CA 95798-0550, Phone (916) 322-4000. Company shall provide Client a fully executed copy of the Agreement before any work is done. Upon completion of the installation of the alarm system, Company shall thoroughly instruct Client in the proper use of the alarm system. Company reserves the right, in the event of non-payment, to assert a mechanic's lien against the Premises. In the event of the assertion of such a lien, Company must provide notice to Client and record the lien and/or payment bonds (if applicable) in accordance with California law. Client has the right to dispute such a lien based on whether legal requirements with respect to such a lien are satisfied.

California License # of Sales Agent (if applicable): _____

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this agreement by their signatures below on the dates indicated:

SECURITAS TECHNOLOGY CORPORATION

By:

Name:

Title:

Date:

Customer: SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

By:

Name:

Title:

Date:

Prepared For:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT - REDLANDS, CA - NEW SONITROL

BETSY MILLER
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503
bmiller@sbvxcd.org

Prepared By:
Securitas Technology Corporation
3800 Tabs Drive
Uniontown, OH 44685
Justin Gonzales
Security Sales Consultant
(951) 379-2706
justin.gonzales@securitas.com

Project Site:
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503

SECURITAS TO INSTALL THE FOLLOWING - 1 SONIP FLEX IP SYSTEM, 1 SONITROL KEYPAD, 8 AUDIO SENSORS, 2 HARDWIRED SONITROL DOOR CONTACTS, 1 POWER HUB, 1 CRADLEPOINT, 500 FT OF 22/6 Cable.

INSTALL THE FOLLOWING ACCORDING TO DRAWING

1 FLEX IP PANEL

1 KEYPAD - FRONT ENTRY

2 DOOR CONTACTS - LOBBY DOOR AND DISTRICT ENGINEERING ROOM

8 AUDIOS - ACCORDING TO DRAWINGS

1 POWER HUB

1 CRADLE POINT

THE SYSTEM WILL COMMUNICATE VIA A CELLULAR RADIO COMMUNICATOR

PROGRAMMING MUST BE COMPLETED WITH SONITROL PNC
SEE DRAWING FOR DEVICE LOCATIONS

SECURITAS SECURITY WILL PROVIDE

INSTALLATION OF PARTS AND WIRE

PROGRAMMING, TESTING AND COMMISSIONING SYSTEM

TRAIN CUSTOMER ON INTRUSION SYSTEM AND MYSONITROL

Labor Schedule

Categories	Extended Sell
Internal Project Preparation and Management	

Subcontracting & Cable Schedule

Categories	Qty	Unit	Price
------------	-----	------	-------

Part Cables:

Additional Cables and Locks:

1 Service and Support Schedules:

Service and Support Schedule

Categories	Qty	Internal Part #	Monthly Charges
------------	-----	-----------------	-----------------

Sonitrol Warranty Verified Intrusion	1	SONITROL-WTY-INT-WTK	\$0.00
--------------------------------------	---	----------------------	--------

\$10,000.00 Warranty – Verified Intrusion

Standard Service Plan	1	CP OPTION A	\$93.02
-----------------------	---	-------------	---------

Plan coverage includes troubleshooting, diagnosis, adjustment, repair and/or replacement, if required, of non-functioning security system devices covered and listed per contract terms. Service is for repair purposes only and covers normal wear and tear. Coverage does not include battery replacement(s), lift or specialty rentals, system upgrades, add ons, technology enhancements, equipment obsolescence, Acts of God, vandalism, customer or third-party alterations or misuse, and other exemptions as identified per contract terms, which will be billed at SES prevailing service rates. Plan covers labor during normal business hours (Monday thru Friday, 8am-5pm local time); does not include national holidays, weekends or after hours service, which will be billed at SES prevailing hourly rates. Customer required to provide free and clear access to equipment and the ability to perform repair services as necessary. Customer is responsible to perform their own onsite device and signal testing to identify and report any system malfunctions or service repair needs.

Sonitrol Audio Intrusion	1	SONITROL-INT	\$35.00
--------------------------	---	--------------	---------

MySonitrol Standard Portal	1	MYSONITROL-STD	\$5.00
----------------------------	---	----------------	--------

MySonitrol Standard provides web-based services for real-time viewing of security operations and equipment status to help improve operational efficiency and security from any device that is internet accessible, including a mobile phone or tablet. Able to view alarm account activity and information, view and edit site contact list and make change requests. Reports can be generated and viewed online, exported into a PDF file. Customer is responsible for updating their call list and response plan as changes occur.

2 Purchase Investment Summary:

Total: \$6,500.27

*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Billing Terms:

100% Upon completion of Installation. Payment Terms: Due thirty (30) days after receipt of invoice or as otherwise set forth in the agreement between the parties.

Service and Support Schedule(Monthly per Location): \$133.02

Note: Billing for all Services, including applicable Service Plans, will be begin upon installation completion or in-service date.

Customer agrees to pay Securitas Technology Corporation this monthly sum, plus all applicable taxes, per location, for the Services indicated on the Service & Support Schedule, prepaid Quarterly for a period of 5 year(s).

This proposal is valid for 30 days

Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: justin.gonzales@securitas.com

Please issue any Purchase Order or other contract documents to Securitas Technology Corporation

Customer Expected Completion Date:

This Agreement shall not become binding on Securitas Technology Corporation until approved and accepted by Securitas Technology Corporation management as provided below.

Seller:

Buyer:

Securitas Technology Corporation

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Company

Trade, partnership or corporate name if different from above.

21803 CACTUS AVE, SUITE A

1630 W REDLANDS BLVD STE A

RIVERSIDE CA92518

REDLANDS CA 92373

Address

Address

Justin Gonzales, Security Sales Consultant

BETSY MILLER

Account Representative Name & Title

Name & Title

Securitas Technology Corporation Management

Authorized Signature Date

Securitas Technology Corporation Management Signature Date



MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is made and entered into this 07-14-2023 (the "**Effective Date**") by and between Securitas Technology Corporation, with its principal place of business located at 8350 Sunlight Drive, Fishers, IN 46037 ("**Company**") and SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, with its principal place of business located at 1630 W REDLANDS BLVD STE A, REDLANDS, CA, 92373 (herein after referred to as "**Client**")

1. System and Services.

Company agrees to sell, install, monitor and/or repair (collectively and individually referred to as "**Services**") security systems and the components comprising such systems (collectively and individually referred to as "**System(s)**") as described in an "**Ordering Document**", which can include but is not limited to a Schedule of Service and Protection, Schedule of Installation and Services, purchase order or statement of work, as accepted by Company during the term of this Agreement and at various premises of Client. Each Ordering Document, once submitted by Client and accepted by Company, will become part of and governed by this Agreement. If there is no service plan provided for in the Ordering Document, then service will be provided on a time and material basis during the hours of 8:00 a.m. to 5:00 p.m. (local time to where the work is performed) Monday through Friday, excluding Company holidays ("**Company's Normal Working Hours**"), at Company's then current rates. The terms of this Agreement shall apply only to Systems and Services at locations identified on an Ordering Document under this Agreement. If Client has existing locations currently using Company Systems and/or Services that are identified on an Ordering Document, the terms and conditions of this Agreement shall cancel and supersede all prior proposals or agreements at those locations, whether oral or written with respect thereto.

2. Term, Renewal, and Expiration.

This Agreement is effective as of its execution date and, for use of the System and services, shall have an initial term beginning on the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months after the Effective Date (the "**Initial Term**"). Unless expressly provided otherwise herein, to the extent that the terms of any Ordering Document conflict with the terms of this Agreement, the terms of this Agreement will control. After the Initial Term expires, this Agreement will automatically be renewed as consecutive one (1) year terms, except where prohibited by applicable law, in which case the Agreement will renew from month to month (any such term being a "**Renewal Term**"), unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term or the Renewal Term. This Agreement shall control all new locations specified in any Ordering Document for a period of sixty (60) months from the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months thereafter and will automatically renew as set forth above, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the expiration date of the then-current Initial Term or Renewal Term. Provided, however, that if this Agreement has terminated or expired prior to the end of the Initial Term or any renewal term of such Ordering Document location, the terms and conditions of this Agreement (other than the renewal provisions thereof) shall nevertheless be applicable to the rights and obligations of Company and the Client, as to the providing of services to any such Ordering Document locations.

3. Acceptance and Transfer of Title.

Title, risk of loss, and the right to use a System will pass to Client upon Client's Acceptance thereof according to this Section 3. Notwithstanding the foregoing, under no circumstances will title to any software pass to Client. Client will be deemed to have accepted the Systems provided hereunder according to the following ("**Acceptance**"):

A. . For an installed System, Client shall have ten (10) days (unless a longer period of time is specified in the applicable Ordering Document) following the completion of installation of the System(s) and Company's determination that the System is in operable condition, capable of functioning according to Company's standards and specifications, and communicating with Company's central station(s)/monitoring center(s) (collectively "**Client Service Center**" or "**Center**") (if applicable) to accept the System (the "**Acceptance Period**"). If Client accepts the System, Client shall execute Company's Certificate of Completion or other user acceptance document (each a "**COC**"). If the System does not materially comply with the Ordering Document, Client may deny Acceptance by providing a written notice specifying in detail the reasons the System fails to meet the relevant criteria ("**Deficiency Notice**"). Company will correct any material deficiencies and will retender the System to Client for review and approval as soon as reasonably practicable. The foregoing described process shall repeat until Company corrects all material deficiencies and the System materially complies with the Ordering Document. If no Deficiency Notice is received by Company within the Acceptance Period, or if the System is utilized for purposes other than testing, regardless of whether Client executes Company's COC, the System shall be deemed accepted by Client. Company shall have no obligation to allow return or grant a refund for any part of a System that has been accepted by Client.

B. . For a shipped order that does not include installation (a.k.a. a box sale), Client's Acceptance shall be deemed to occur, and title and risk of loss shall transfer to Client, upon the System being shipped from Company's shipping point to Client's location.

4. Payment and Pricing Adjustments.

A. Payment. Client agrees to pay Company:

- i. for the sale and installation of the System as provided in the applicable Ordering Document;
- ii. for any System that is not purchased outright (a "**Leased System**"), Client acknowledges that the cost of the Leased System and installation labor is incorporated into the monthly fees set forth on the Ordering Document. Following the expiration of the Initial Term of the relevant Ordering Document, Client may contact Company to request a buy-out of the Leased System, whereby ownership of the Leased System would be transferred to Client, and to renegotiate the monthly fee. Unless and until a buy-out occurs, Company retains ownership of a Leased System. Client hereby authorizes Company to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Client's behalf and to file such documents in all places where necessary to perfect Company's interest in the Leased System. Client agrees to execute any such instruments as Company may request from time to time.

iii. for the monitoring, servicing and/or repairing of the System as provided in an Ordering Document, commencing from the date of Client's Acceptance; and

iv. for any interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the System becomes operative until the first of the following month. Payments for services are due sixty (60) months, in advance, commencing from the first day of the month following the date of Client's Acceptance.

B. Payment Terms, Collections. Payments are due thirty (30) days from the invoice date. Failure to pay amounts when due shall give Company the right to charge interest at the rate of 1½% per month, or other maximum permitted by law, on any delinquent balance. Should Company be required to retain an attorney or file suit with respect to collection of any amounts due, Client shall be responsible for payment of Company's attorney fees and expenses related to such collection efforts. Company reserves the right, upon seven (7) days written notice to Client, to suspend all services while Client's account is delinquent.

C. Progress Billing. If the price of a single project exceeds fifty thousand dollars (\$50,000.00), Company shall have the right to submit invoices for progress payments based on percentage of work completed for such project.

D. Pricing Adjustments. Company shall have the right to make any or all of the following pricing adjustments subject to the limitations set forth below:

i. Client agrees that at any time following expiration of (12) months from the Effective Date of this Agreement or from the date of Client's Acceptance of a System at a new location, Company may increase the monthly charges set forth in the applicable Ordering Document once a year, for the balance of the term and any renewal thereof. If Company increases the monthly charges by an amount greater than nine percent (9%), Client's sole remedy with respect to such increase is to terminate this Agreement upon written notice to Company within fifteen (15) days of the earlier of the first invoice reflecting such increase or any other notification to Client of the increase.

ii. Company reserves the right to, no more often than once annually and no sooner than six (6) months from the Effective Date, adjust any pricing under this Agreement, including but not limited to equipment, fees and labor rates, in the event that the Consumer Price Index-All Urban Workers (the "CPI") increases by greater than three percent (3%) between the Effective Date and the time of such adjustment. The percentage of such adjustment may be up to the percentage increase of the CPI.

iii. Company reserves the right to increase any pricing, after an Ordering Document is executed, to the extent that the price to Company of such item has been increased by Company's supplier. Client's sole remedy with respect to such an increase is to cancel the subject Ordering Document.

5. Miscellaneous Charges and Increase in Charges.

A. The prices given to Client are exclusive of taxes and Client shall be responsible for paying for any applicable City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to Company for facilities required for transmission of signals under this Agreement.

B. At Company's option, a fee may be charged for any unnecessary service run or false alarm. If either Client or Company is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Client shall pay the full amount of such fine or penalty. If, following an investigation at Client's request, it is mutually agreed that a false alarm was caused by Company, the amount of the fine or penalty paid by Client shall be credited to Client's account. Should the System excessively signal Company's monitoring facility as a result of any cause other than Company's sole negligence, Client authorizes Company to: (i) suspend performance of any of the services; (ii) shut down the panel and/or the System; and (iii) render some or all of the equipment incapable of sending a signal locally or communicating with any monitoring facility while the Parties investigate the source of the excessive signaling.

C. The payments set forth in the Ordering Document may include telephone company line charges, if required. Company may immediately increase its monthly charges to reflect such increased line charges for the Client facility covered by this Agreement. Client shall also pay any telephone company toll line charges incurred by the operation of the System.

D. Installation charges set forth in an Ordering Document assume installation will be performed during Company's Normal Working Hours and using its own personnel. If Client requests the installation or any part thereof to be performed outside of Company Normal Working Hours, or by Client specified contractors, or if Company's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.

E. If any governmental agency, or any updated technology standards (including but not limited to cellular signal sunset), require any changes in the System originally installed for compliance requirements and/or continued functionality, Client agrees to pay for such changes. It is Client's responsibility to obtain all alarm use permits required by the local jurisdiction.

F. The prices quoted for the System are based upon the number of components, type of security and service specified in the Ordering Document. Should Client request or require additional protection, security devices or services, this may affect the final contract price. Cost associated with conditions not apparent at Company's initial survey and for delays other than caused by Company will be borne by Client at Company's then current rates.

G. Client shall pay the greater of (i) any penalties or charges incurred by Company; (ii) \$25.00, or (iii) the maximum amount permitted by law; in relation to any not-sufficient-funds (NSF) check submitted by Client.

H. Invoices to Client shall be provided electronically unless otherwise requested by Client. A nominal fee, not to exceed three dollars (\$3.00), may be charged for each paper invoice mailed.

I. Company may make periodic searches at credit reporting agencies and fraud prevention agencies and reserves the right to change payment terms based upon information obtained in the searches.

6. Liquidated Damages and Company's Limits of Liability.

A. THE PARTIES AGREE THAT (I) COMPANY IS PROVIDING A SYSTEM AND/OR SERVICE DESIGNED TO REDUCE THE RISK OF LOSS ONLY; (II) THE PAYMENTS PROVIDED FOR HEREIN ARE BASED SOLELY ON THE VALUE OF THE SYSTEM AND/OR SERVICES AS DESCRIBED HEREIN AND ARE UNRELATED TO THE VALUE OF ANY PROPERTY LOCATED ON CLIENT'S PREMISES; (III) COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY SYSTEM PROVIDED OR SERVICED BY COMPANY OR THAT COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN THE MONITORING, REPAIRING, SIGNAL HANDLING OR DISPATCHING ASPECTS OF THE SERVICE, EVEN IF DUE TO COMPANY'S NEGLIGENCE OR FAILURE OF PERFORMANCE; (V) COMPANY IS NOT LIABLE FOR LOSSES RESULTING FROM FAILURE TO WARN OR INADEQUATE TRAINING; (VI) COMPANY IS NOT AN INSURER; AND (VII) INSURANCE COVERING PERSONAL INJURY, PROPERTY LOSS, AND DAMAGE TO AND ON CLIENT'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY CLIENT. CLIENT UNDERSTANDS THAT (A) IT IS CLIENT'S DUTY TO PURCHASE SUCH INSURANCE; AND (B) COMPANY OFFERS SEVERAL LEVELS OF PROTECTION AND SERVICES AND THAT THE SYSTEM AND/OR SERVICE DESCRIBED IN THE ORDERING DOCUMENT HAS BEEN CHOSEN BY CLIENT AFTER CONSIDERING AND BALANCING THE LEVELS OF PROTECTION AFFORDED BY VARIOUS SYSTEMS AND THE RELATED COSTS. THIS AGREEMENT SHALL CONFER NO RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE, WITH THE EXCEPTION OF THIRD PARTIES IDENTIFIED IN THIS SECTION 6.

B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CLIENT'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CLIENT DATA, INABILITY OF COMPANY TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CLIENT'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF SECTION 6(A) IS JUDICIALLY DETERMINED TO BE INVALID, UNENFORCEABLE, OR IS OTHERWISE NOT ENFORCED, AND ANY LIABILITY IS JUDICIALLY IMPOSED ON COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, COMPANY'S LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE COMPANY'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CLIENT WISHES COMPANY TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CLIENT MAY OBTAIN FROM COMPANY AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO COMPANY. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH COMPANY AS AN INSURER.

C. IN NO EVENT WILL COMPANY, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR ANY LOST PROFITS, LOSS OF REVENUE, COST OF COVER, OR ANY CONSEQUENTIAL, INDIRECT, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER, WHETHER SOUNDING IN CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND PRODUCTS LIABILITY), OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR ANY LIMITED REMEDY HEREUNDER.

D. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST COMPANY MORE THAN TWO (2) YEARS AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

E. BECAUSE THE PARTIES AGREE THAT CLIENT RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO CLIENT'S OWN PROPERTY OR THE PROPERTY OF OTHERS ON ITS PREMISES, CLIENT AGREES TO INDEMNIFY AND SAVE HARMLESS COMPANY, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY COMPANY OF ANY SERVICE PROVIDED BY COMPANY, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

F. WITH RESPECT TO LEASED SYSTEMS, CLIENT EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CLIENT UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CLIENT BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY COMPANY'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.

G. This Section 6 shall apply to any other company or entity, and the work it performs, which furnishes, as a subcontractor or otherwise, any installation, repairs, maintenance, monitoring or other services provided hereunder.

7. Limited Equipment Warranty.

A. Where Client purchases a System under this Agreement, unless Client has purchased a service plan that commences from the date of installation, Company warrants to Client that the equipment provided will conform to its associated documentation under normal use and operating conditions for a period of ninety (90) from the date of Acceptance. If, during this warranty period, any of the equipment or parts are

defective or malfunction, they will be repaired or replaced, at Company's sole option, free of charge. Warranty repair is provided during Company's Normal Working Hours. This warranty will not apply if the damage or malfunction occurs due to (i) adjustments, additions, alternations, abuse, misuse or tampering of the System by the Client (ii) System operation or use contrary to the operating instructions; (iii) software used with an operating system other than that specified by Company or its original equipment manufacturer ("OEM"); (iv) performance issues relating to the use of Client's data network(s); (v) power fluctuations; or (vi) any other cause not within the cause or control of Company. If inspection by Company fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Client's expense and Company's regular service charges will apply.

B. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY, COMPANY MAKES NO OTHER WARRANTIES AND HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OR USAGE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, OR QUIET ENJOYMENT AND ANY WARRANTY THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. COMPANY MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CLIENT'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

C. STATE LAW. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY. THE WARRANTY PROVIDES SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. Software License.

Client's use of any computer application, program, and/or documentation (collectively "Software") provided hereunder is owned by Company, its affiliates or one of its OEMs and is protected by United States and international copyright laws and international treaty provisions, and is governed by the terms and conditions of any license included in or with such software (including but not limited to a click-wrap or shrink-wrap agreement) or as appears on a web site as of the date that the Client signs the Ordering Document referencing this Agreement. If Client does not agree to abide by such terms, then Client should not install or use such Software. Any breach of this Agreement will automatically terminate the Client's right to use the software. Client may not copy the software other than in accordance with the terms and conditions of the applicable end user software license agreement. Client may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any software. Client acknowledges that any breach of this Section 8 shall result in irreparable injury to Company for which the amount of damages would be unascertainable. Therefore, Company may, in addition to pursuing any and all remedies provided by law, seek an injunction against Client from any court having jurisdiction, restraining any violation of this Section 8.

9. Further Obligations of Client.

A. Client, at its own expense, shall supply appropriate unswitched AC electric power, outlets for such power, located according to Company's requirements, and telephone company interconnection jacks, if required.

B. Client shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment, or otherwise interfere with System(s) installed by Company, nor shall Client permit the same to be done by others. It is further agreed that CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FOR ANY CLAIM ARISING OUT OF THE FOREGOING, and that if any work is required to be performed by Company due to Client's breach of the foregoing obligations, Client will pay Company for such work in accordance with Company's then current prevailing charges.

C. For those premises where Company is to provide monitoring services, Client shall be solely responsible for providing to and updating Company with the information required to provide the services hereunder, including but not limited to a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Client during scheduled closed periods, instructions on order of contacting individuals and authorities in case of an alarm signal or other type of signal, an authorized daily and holiday opening and closing schedule; authorized contacts and accurate contact information ("Action Plan"). Client agrees that telephone calls and video received or transmitted by the Client Service Center, including the receipt and transmission of alarm signals, may be electronically recorded by Company. Client consents to such recording and will inform its employees and appropriate third parties that such recordings are authorized.

D. Client is solely responsible for activating any intrusion alarm System at such times as Client shall close its premises. Client shall regularly test its System(s), including conducting walk tests of any motion detection equipment, and shall immediately report to Company any claimed inadequacy in, or failure of, any System.

E. Client shall permit Company access to the premises for any reason arising out of, or in connection with, Company's rights or obligations under this Agreement.

F. At any time during the Initial Term of this Agreement or any Renewal Term, Company may reasonably determine that equipment being serviced hereunder is obsolete or not otherwise reasonably capable of being maintained in an operable condition as a result of age, volume of use, unavailability of necessary replacement parts or other reason or condition. In such event, upon receipt of written notice or such determination from Company, Client shall either replace the obsolete equipment with new equipment, remove the equipment from the scope of coverage of this Agreement, or agree in writing that such equipment will continue to be serviced hereunder by Company (if Company is able to do so) on a time and materials basis.

G. Should any part of the System be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of Company, any repairs or replacement shall be paid for by Client (ordinary wear and tear excepted in the case of a Leased System).

H. Client represents and warrants that Client is the owner of the premises or, if not, that the owner agrees and consents to the installation of the System on the premises. Client shall indemnify and hold Company harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from Company's inability to recover Leased System components when Client moves out of the premises.

I. For those premises where Company is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Client warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Client's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with Company's signaling devices. Client further agrees to furnish any necessary water through Client's meter and at Client's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.

J. For those premises where the System transmits video Client shall (i) provide and maintain adequate power and lighting for all cameras or other video-related equipment; (ii) instruct all personnel who may use the service or the System of any of the limitations respecting the service or the System as set forth in an agreement or otherwise; (iii) take all steps necessary to inform any person who may be the subject of any video and/or audio monitoring of the possibility of such monitoring including the prominent and conspicuous display of signs or the broadcasting of periodic or intrusion-related aural announcements informing any such person of the audio and/or video monitoring while on the premises; (iv) not use or permit the use of video data transmitted or received from cameras installed with a view where any person may have a reasonable expectation of privacy including restrooms, dressing or changing areas, locker rooms or similar areas; (v) use the service and video transmitted from a System only for the intended purpose of providing security surveillance or management services and for no other purpose; (vi) not use the services or video transmitted from a System for any criminal, illegal or otherwise unlawful activity, including invasion of or intrusion upon the privacy or seclusion or the private affairs of another or eavesdropping or for viewing, transmitting or storing sexually explicit materials; and (vii) obtain and keep in effect all permits or licenses required for the installation and operation of the System or use of the service.

K. It is mutually agreed that the Client assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Client's premises.

L. Client represents that, except to the extent it has given Company written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Client) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond Company's reasonable control and Company shall not start, or continue, to perform its work under this Agreement until Client has remedied the unsafe or unlawful condition at Client's sole expense. CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM SUCH UNSAFE OR UNLAWFUL CONDITIONS (REGARDLESS OF WHETHER OR NOT CLIENT DISCLOSED SUCH MATERIALS TO COMPANY). Client further represents that it is not subject to any economic or trade sanctions and will immediately notify Company if it becomes subject to such sanctions, in which event Company shall be entitled to immediately terminate this Agreement.

10. **Obligations of Company; Limitations.**

A. Neither party shall be held responsible or liable for delay in installation of the System or interruption of service due to strikes, lockouts, riots, floods, fires, lightning, acts of God, pandemics, endemics, supply chain issues and shortages, or any cause beyond the control of such party, including interruptions in internet, telephone, or other telecommunications service (each a "**Force Majeure**"). Company will not be required to perform installation or supply service to Client while any such cause shall continue. If such Force Majeure event continues for more than thirty (30) days, either party may terminate this Agreement without liability as of the date specified in a written notice to the other party.

B. For those premises where monitoring service is provided, Company, upon receipt of an alarm signal from Client's premises, shall (unless previously instructed otherwise by Client), follow the Action Plan. If no Action Plan is in place, Company shall make a reasonable effort to notify Client and/or the pertinent authorities of the alarm, with the exception that Company shall clear the alarm signal if, through video or audio verification, Company determines an emergency does not exist.

C. Company reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals, unless expressly prohibited by local authorities. If Client requires phone notification for non-emergency signals, Client agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal business hours unless expressly requested otherwise by Client.

D. Company may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. Company and Client are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the System. Company reserves the right to discontinue or change any particular response service due to such governmental requirements or any insurance requirements without notice. Client consents to the tape and video recording of telephonic and video communications between Client's premises and Company, and Client will inform its employees and third parties that such recordings are authorized. If Client's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Client agrees to subscribe to such service if provided by Company, or otherwise comply with such requirements, and an additional fee may apply for such services.

E. If a service plan or software support option is purchased by Client, Company will provide and install software updates during Company's Normal Working Hours, as they become commercially available. Software updates that do not apply to the Client's current operations, as determined by Company and the OEM, will not be installed by Company. Software upgrades shall be made available for purchase. In the event

the Client elects to have someone other than Company install a software update or upgrade, Client shall assume any and all liability for damage caused pursuant to the installation. Service and updates for third party software not supplied by Company are excluded from this Agreement.

11. Communication Limitations.

A. Client understands that if any System installed under this Agreement is monitored, due to the nature of the method used for communicating alarm signals to the Client Service Center there may be times when that communication method is not able to transmit signals and Company will not receive alarm signals. Digital communicators use standard telephone lines and Company does not receive signals when the telephone systems become non-operational or the telephone line is placed on vacation status, cut, interfered with, or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems, or any Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communication channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Client understands that Company offers several levels of communication methods of alarm signals to the Client Service Center and that the services described on the Ordering Document have been chosen by Client after considering and balancing the levels of protection afforded by various communication methods and the related costs. Client acknowledges and agrees that Client is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond Company's control and are maintained and serviced, solely by the applicable carrier or provider. Client agrees to reimburse Company for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the System. Such services should be installed on a telephone number that is not used for alarm signal transmission. Client agrees to notify Company if Client has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.

B. For those premises where card access security is provided, Company assumes no responsibility or liability for lost or stolen access cards.C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

12. Title to Equipment and Use of Leased Equipment.

A. If Client purchases a System, Client agrees that Company retains a security interest in the System until the full purchase price is paid.

B. Any Leased System installed on the Client's premises shall at all times remain solely the property of Company and Client agrees not to permit the attachment thereto of any equipment not furnished by Company. It is further understood and agreed that Company may remove, disable, or abandon all or any part of the Leased System, including all wiring installed by Company upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise, without any obligation to repair or redecorate any portion of the protected premises, provided that such removal, disablement, or abandonment shall not be held to constitute a waiver of the right of Company to collect any charges which have accrued hereunder. Client shall have no right, title or interest in the Leased System outside of the leasehold interest created by the Ordering Documents.

C. Client shall keep all Leased Systems at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Client shall give Company immediate notice of any such attachment or other judicial process affecting any of the equipment. Without Company's written permission, Client shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without Company's prior written consent, then all the new equipment shall become equipment owned by Company subject to this Agreement and the applicable Schedule.

13. Termination.

A. Company may terminate this Agreement:

- i. Immediately, upon written notice, in the event Client defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, and fails to cure or remedy the default within thirty (30) calendar days from receipt date of written notice by Company of such default. If Company terminates under this Section 13(A)(i), the balance of all monies due and for the unexpired term of orders subject to this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii. immediately, upon written notice, in the event the Client Service Center, the telephone lines, wires, or Company's equipment within Client premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Client's premises; or
- iii. as provided in Section 2 relating to expiration.

B. Client may terminate this Agreement:

- i. immediately, upon written notice for any individual location in the event the Client location is, by any cause beyond the control of Client, destroyed or so substantially damaged that it is commercially impractical for Client to continue any operations at such location;

- ii. if Company materially breaches this Agreement, and such material breach is not cured within thirty (30) days of written notification by Client of such material breach;
 - iii. as provided in Section 2 relating to expiration.
- C. In the event of any termination under this Section 13,
- i. if Client is using Leased Equipment, Client must pay Company all payments remaining to be made under this Agreement through its scheduled expiration;
 - ii. Client shall permit Company access to Client's premises in order to deactivate any signaling device, and/or to remove or disable the System pursuant to Section 12;
 - iii. written notification by facsimile, U.S. mail or by courier shall be acceptable.
- D. The provisions that by their express terms or nature continue and surviving, including the payment and taxes terms, the limitation on liability, consequential damages waiver, warranty disclaimer, insurance and waiver of subrogation, severability and savings, jury trial waiver, entire agreement and governing law provision, will survive any termination, expiration or cancellation of this Agreement.

14. Assignment.

This Agreement and the rights hereunder are not assignable by the Client, except upon written consent of Company first being obtained. Company shall have the right to assign its rights under this Agreement without the consent of, but with notification to, the Client. Any attempted assignment in violation of this Section 14 is void.

15. Subcontracting.

Company may, in its sole discretion, subcontract any of Company's obligations under this Agreement.

16. Insurance and Waiver of Subrogation.

Client shall obtain, and maintain, insurance coverage and/or an appropriate self-insurance program to cover all losses, damage, or injury Client may sustain in security-related incidents. Client shall look solely to its insurer for recovery of security incident related losses and hereby waives any and all claims for such losses against Company. Client agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

17. Severability and Savings.

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

18. Non-Solicitation.

During the term of this Agreement and for a period of not less than one (1) year following its expiration or termination, both parties agree not to solicit as an employee, consultant, agent, subcontractor and/or representative (hereinafter "**Employee**") any person who is an Employee of the other party at the time of such solicitation. If this covenant is breached, the non-breaching party will be entitled to seek injunctive relief to be issued by any court of equity having jurisdiction to enjoin and restrain the breaching party and the subject Employee, and each and every other person concerned therein from further violation thereof, and in addition thereto, if a court finds a violation of this clause, the non-breaching party will be entitled to liquidated damages, due to the difficulty of proof of actual damages, against the breaching party in the amount of the hired employee's fully loaded salary, including benefits, bonuses, commissions, stock grants, the cost of training and other similar fully loaded elements. Both parties acknowledge that such amount is reasonable, not a penalty and not disproportionate to the presumed investment in the training of such Employee and the damages suffered by the non-breaching party. Solicitation through advertisements directed at the general public or through independent recruiters who contact a party's Employee without the party's knowledge will not be considered solicitations for purposes of this paragraph.

19. Electronic Signature.

The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

20. Choice of Law.

This Agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principles that would require the application of any other law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

21. Waivers.

A. Jury Trial Waiver. Both parties to this Agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect to any litigation arising out of, under, in connection with, or relating to this Agreement.

B. Terrorism Waiver. In no event will either Party or its insurers be liable to the other Party for loss or damage arising from or related to any acts of terrorism. The Parties intend for this waiver to "flow down" to their respective contractors.

22. Confidentiality

A. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party non-public information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information that the receiving party knows or reasonably should know is confidential to the disclosing party or its affiliates, whether orally or in written, electronic, or other form or media/in written or electronic form or media, whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure, is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third-party; or (d) independently developed by the receiving party.

B. Non-Disclosure. The receiving party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party

making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

C. Return or Destruction. On the expiration or termination of this Agreement, the receiving party shall, to the extent practicable, promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

23. Miscellaneous

A. The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement, which shall be considered as a whole.

B. The word "including", when used herein, is illustrative rather than exclusive and means "including, without limitation."

C. Any written notifications to Company shall be directed to 8350 Sunlight Drive, Fishers, IN 46037, Attn: Counsel. Any written notifications to Client shall be directed to the address identified in the first paragraph of this Agreement.

24. Entire Agreement.

This Agreement, including any attached Ordering Documents and Exhibits (which are incorporated by reference), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to such subject matter. This Agreement may not be changed, modified, or varied except in a writing that both identifies itself as an amendment to this Agreement and is signed by an authorized representative of Company. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Client. Client hereby acknowledges that Client has read this entire Agreement and agrees to be bound by all its terms and conditions.

IMPORTANT INFORMATION FOR PURCHASERS OF ALARM SYSTEMS AND SERVICES IN THE STATE OF CALIFORNIA

Company is a licensed alarm company operator as defined in the California Alarm Company Act (the "Act") and is regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Post Office Box 980550, West Sacramento, CA 95798-0550, Phone (916) 322-4000. Company shall provide Client a fully executed copy of the Agreement before any work is done. Upon completion of the installation of the alarm system, Company shall thoroughly instruct Client in the proper use of the alarm system. Company reserves the right, in the event of non-payment, to assert a mechanic's lien against the Premises. In the event of the assertion of such a lien, Company must provide notice to Client and record the lien and/or payment bonds (if applicable) in accordance with California law. Client has the right to dispute such a lien based on whether legal requirements with respect to such a lien are satisfied.

California License # of Sales Agent (if applicable): _____

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this agreement by their signatures below on the dates indicated:

SECURITAS TECHNOLOGY CORPORATION

By:

Name:

Title:

Date:

Customer: SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

By:

Name:

Title:

Date:

As an Addendum to the Agreement between Securitas Technology Corporation ("STC") and the client ("Client"), it is agreed:

1. **Warranty.** Beginning after seven (7) consecutive days from installation and operation in Client's premises of Sonitrol security devices and equipment, approved by the Sonitrol Warranty Council, STC warrants to Client that said Sonitrol security devices and equipment which are monitored by a Sonitrol monitoring center (the "Sonitrol Security System") will detect and the monitoring center will report to the proper authority any burglary by forcible intrusion into the interior areas of the Client 's building actually protected by the Sonitrol Security System (the "Protected Building"). In the event the Client's communication line (telephone or IP connectivity) is inoperative during the time of burglary by forcible intrusion, then in lieu of the above warranty, STC warrants to Client that if properly activated by Client, any bell or other audio alarm device that is part of the Sonitrol Security System at the Protected Building will sound upon any burglary by forcible intrusion into the Protected Building. The Warranty set forth above shall be subject to and conditioned upon all terms contained in the Agreement and this Addendum.
2. **Scope of Warranty.** This Warranty is operative only in the event of loss or damage to Covered Goods (defined below) due to a burglary by forcible intrusion into the Protected Building which is undetected or unreported by the Sonitrol Security System, if said burglary occurs at a time the Sonitrol Security System has been properly activated by the Client and at a time the Protected Building is not open for business or, if the Protected Building is a single family residence, at a time the Protected Building is not occupied by Client or other authorized occupant ("Covered Event"). Covered Goods shall mean the Client's own inventory, furnishings, fixtures or equipment, or if the Protected Building is a single family residence, the Client's own tangible personal property and fixtures. It is further understood and agreed that this Warranty is not intended to enhance, negate or in any way modify any manufacturer's warranty between the Client and the manufacturers of the various devices or equipment used in the Sonitrol Security System and any such rights, limitations and responsibilities remain solely between those parties.
3. **Exclusions.** This Warranty does not extend to, and STC or its agent shall have no liability for the following: (a) loss or damage to property resulting from vandalism, malicious mischief, exterior building damage from point of entry, casualty or other events not a Covered Event; (b) loss or damage to cash, coins, negotiable instruments, gold or silver ingots or bars, manuscripts, books of account or other records, intangibles, stamps or other collectibles. or other property not covered Goods; (c) if the Protected Building is other than a single family residence, loss or damage to Covered Goods contained in show or display windows resulting from forced intrusion from smashing or cutting such windows; (d) loss or damage which occurs at a time when the Protected Building is open for business (or, if the Protected Building is a single family residence, at a time when the Protected Building is occupied by a Client or other authorized occupant), or at a time when the Sonitrol Security System has not been properly activated by the Client or operated in accordance with the instructions given to Client, or at a time when Sonitrol Security System is inoperative due to strikes, riots, floods, fire, earthquake, general utility service interruption or any other cause beyond the control of STC; (e) loss or damage occurring during a period of time that the Client has been previously notified by STC or its agent that the Sonitrol Security System would be inoperative; (f) loss or damage that occurs by reason of entry to the Protected Building via an unsecured or unlocked point of access, including but not limited to unlocked doors or windows; or (g) loss or damage occurring in premises or a location other than the Protected Building, such as satellite buildings, garages, utility rooms, sheds, boiler rooms, rooms added on, or any other premises not actually protected by the Sonitrol Security System.
4. **Maximum Liability.** The maximum liability under this Warranty shall be Ten Thousand Dollars (\$10,000) for the entire Protected Building regardless of the number of Sonitrol Security Systems used within the Protected Building. If Covered Goods are lost or damaged as a result of a Covered Event, STC or its agent may, at its option, elect (a) to replace the lost or damaged Covered Goods with goods of equivalent function and value; (b) to pay the loss in cash to Client; or (c) to arrange for the repair or restoration of damaged Covered Goods. In the event payment of cash is selected, the amount to be paid shall be the lesser of Actual Cash Value (replacement cost less depreciation), the wholesale purchase price, or the actual cost to Client without regard to profit markup of lost or damaged Covered Goods. The maximum amount to be paid for lost or damaged Covered Goods which are jewelry is Fifty Dollars (\$50.00) per item of jewelry.
5. **Conditions to Warranty.** This Warranty, and any liability hereunder, is contingent upon the happening of the following conditions: (a) the activation and operation of the Sonitrol Security System by Client in strict accordance with the instructions delivered to Client; and (b) any Covered Event must be promptly reported by Client to the police authorities and to STC, and within seven (7) days after a Covered Event, Client shall submit to STC or its agent a complete and detailed inventory of all Covered Goods which have been lost or damaged, specifying the Client's original cost of each item, and any other information deemed necessary or desirable regarding such goods.
6. **Termination.** STC or its agent may terminate or amend this Warranty at any time upon ten (10) days prior written notice to Client. This Warranty is for the exclusive benefit of and is personal to Client and shall not inure to the benefit of any party (including insurers) other than Client.
7. **Waiver of Subrogation.** For the benefit of STC or its agent, Client hereby waives any rights of subrogation against STC that any insurer of Client may have provided, however, that if this waiver shall cause the applicable insurance coverage of Client if any, to be invalidated, this waiver shall be void and of no effect.
8. **Effect on Agreement.** Nothing in this addendum, unless specifically stated otherwise, shall modify or supersede the terms of the principal Agreement. All of the limitations of liability in the Agreement remain in full force and effect, except to the extent this Limited Warranty applies to a Covered Event occurring while the Agreement and this Limited Warranty is in effect. It is specifically understood that the Distributors Council Inc. is not a party to this Addendum.

THIS LIMITED WARRANTY IS EXPRESSLY MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Prepared For:

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT - REDLANDS, CA - CAMERA SYSTEM

BETSY MILLER
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503
bmiller@sbvxcd.org

Prepared By:
Securitas Technology Corporation
3800 Tabs Drive
Uniontown, OH 44685
Justin Gonzales
Security Sales Consultant
(951) 379-2706
justin.gonzales@securitas.com

Project Site:
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
1630 W REDLANDS BLVD STE A
REDLANDS, CA , 92373
909-793-2503

PLEASE COORDINATE SCHEDULING WITH ATHENA LAROCHE

INSTALL NEW 3XLOGIC CCTV SYSTEM

Securitas Technology SOW related items:

During the normal business hours of Monday through Friday 8:00 a.m. to 4:30 p.m. Securitas Technology will provide the following scope of work to install a new 3xLogic CCTV system

SCOPE OF WORK IDS:

Securitas Technology will provide and install (3) 5MP 3xLogic Dome Cameras (see attached drawing)

NOTES:

1. SECURITAS will supply and install (3) 5MP 3xLogic Dome Cameras
2. SECURITAS will provide a lift for one week. Please reference Q- 425531-18 was sold on this job.
3. SECURITAS will train the customer on how to use the new system.

Exceptions and Customer Furnished Equipment Expectations

- All work to be done during normal business hours. Unattended access to all necessary systems will be required.
- **REDLANDS PLAZA** will have the ability to view the Camera's from there Mobile Phone, Desk Top, and Lap Top.
- **REDLANDS PLAZA** is responsible for response to all alarms and notifications received during installation, testing, and final configuration of added hardware and services.
- **REDLANDS PLAZA** is responsible for providing a Network connection and IP addresses

Labor Schedule

Categories	Extended Sell
Internal Project Preparation and Management	

Subcontracting & Cable Schedule

Categories	Qty	Unit	Price
------------	-----	------	-------

Part Cables:

Additional Cables and Locks:

1 Service and Support Schedules:

Service and Support Schedule

Categories	Qty	Internal Part #	Monthly Charges
Standard Service Plan	1	CP OPTION A	\$73.14

Plan coverage includes troubleshooting, diagnosis, adjustment, repair and/or replacement, if required, of non-functioning security system devices covered and listed per contract terms. Service is for repair purposes only and covers normal wear and tear. Coverage does not include battery replacement(s), lift or specialty rentals, system upgrades, add ons, technology enhancements, equipment obsolescence, Acts of God, vandalism, customer or third-party alterations or misuse, and other exemptions as identified per contract terms, which will be billed at SES prevailing service rates. Plan covers labor during normal business hours (Monday thru Friday, 8am-5pm local time); does not include national holidays, weekends or after hours service, which will be billed at SES prevailing hourly rates. Customer required to provide free and clear access to equipment and the ability to perform repair services as necessary. Customer is responsible to perform their own onsite device and signal testing to identify and report any system malfunctions or service repair needs.

2 Purchase Investment Summary:

Total: \$5,590.56

*Prices quoted do not include Sales or Use tax. Applicable Sales and Use tax will be added to the quoted prices.

Billing Terms:

100% Upon completion of Installation. Payment Terms: Due thirty (30) days after receipt of invoice or as otherwise set forth in the agreement between the parties.

Service and Support Schedule(Monthly per Location): \$73.14

Note: Billing for all Services, including applicable Service Plans, will be begin upon installation completion or in-service date.

Customer agrees to pay Securitas Technology Corporation this monthly sum, plus all applicable taxes, per location, for the Services indicated on the Service & Support Schedule, prepaid Quarterly for a period of 5 year(s).

This proposal is valid for 30 days

Thank you for the opportunity to provide this proposal. Please sign, date and return the proposal in its entirety to

eMail: justin.gonzales@securitas.com

Please issue any Purchase Order or other contract documents to Securitas Technology Corporation

Customer Expected Completion Date:

This Agreement shall not become binding on Securitas Technology Corporation until approved and accepted by Securitas Technology Corporation management as provided below.

Seller:

Buyer:

Securitas Technology Corporation

SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

Company

Trade, partnership or corporate name if different from above.

21803 CACTUS AVE, SUITE A

1630 W REDLANDS BLVD STE A

RIVERSIDE CA92518

REDLANDS CA 92373

Address

Address

Justin Gonzales, Security Sales Consultant

BETSY MILLER

Account Representative Name & Title

Name & Title

Securitas Technology Corporation Management

Authorized Signature

Date

Securitas Technology Corporation Management Signature Date



MASTER SERVICES AGREEMENT

This Master Services Agreement (this "**Agreement**") is made and entered into this 07-14-2023 (the "**Effective Date**") by and between Securitas Technology Corporation, with its principal place of business located at 8350 Sunlight Drive, Fishers, IN 46037 ("**Company**") and SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT, with its principal place of business located at 1630 W REDLANDS BLVD STE A, REDLANDS, CA, 92373 (herein after referred to as "**Client**")

1. System and Services.

Company agrees to sell, install, monitor and/or repair (collectively and individually referred to as "**Services**") security systems and the components comprising such systems (collectively and individually referred to as "**System(s)**") as described in an "**Ordering Document**", which can include but is not limited to a Schedule of Service and Protection, Schedule of Installation and Services, purchase order or statement of work, as accepted by Company during the term of this Agreement and at various premises of Client. Each Ordering Document, once submitted by Client and accepted by Company, will become part of and governed by this Agreement. If there is no service plan provided for in the Ordering Document, then service will be provided on a time and material basis during the hours of 8:00 a.m. to 5:00 p.m. (local time to where the work is performed) Monday through Friday, excluding Company holidays ("**Company's Normal Working Hours**"), at Company's then current rates. The terms of this Agreement shall apply only to Systems and Services at locations identified on an Ordering Document under this Agreement. If Client has existing locations currently using Company Systems and/or Services that are identified on an Ordering Document, the terms and conditions of this Agreement shall cancel and supersede all prior proposals or agreements at those locations, whether oral or written with respect thereto.

2. Term, Renewal, and Expiration.

This Agreement is effective as of its execution date and, for use of the System and services, shall have an initial term beginning on the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months after the Effective Date (the "**Initial Term**"). Unless expressly provided otherwise herein, to the extent that the terms of any Ordering Document conflict with the terms of this Agreement, the terms of this Agreement will control. After the Initial Term expires, this Agreement will automatically be renewed as consecutive one (1) year terms, except where prohibited by applicable law, in which case the Agreement will renew from month to month (any such term being a "**Renewal Term**"), unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the anniversary date of the Initial Term or the Renewal Term. This Agreement shall control all new locations specified in any Ordering Document for a period of sixty (60) months from the date the System first becomes operational and expiring on the last day of the calendar month sixty (60) months thereafter and will automatically renew as set forth above, unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the expiration date of the then-current Initial Term or Renewal Term. Provided, however, that if this Agreement has terminated or expired prior to the end of the Initial Term or any renewal term of such Ordering Document location, the terms and conditions of this Agreement (other than the renewal provisions thereof) shall nevertheless be applicable to the rights and obligations of Company and the Client, as to the providing of services to any such Ordering Document locations.

3. Acceptance and Transfer of Title.

Title, risk of loss, and the right to use a System will pass to Client upon Client's Acceptance thereof according to this Section 3. Notwithstanding the foregoing, under no circumstances will title to any software pass to Client. Client will be deemed to have accepted the Systems provided hereunder according to the following ("**Acceptance**"):

A. . For an installed System, Client shall have ten (10) days (unless a longer period of time is specified in the applicable Ordering Document) following the completion of installation of the System(s) and Company's determination that the System is in operable condition, capable of functioning according to Company's standards and specifications, and communicating with Company's central station(s)/monitoring center(s) (collectively "**Client Service Center**" or "**Center**") (if applicable) to accept the System (the "**Acceptance Period**"). If Client accepts the System, Client shall execute Company's Certificate of Completion or other user acceptance document (each a "**COC**"). If the System does not materially comply with the Ordering Document, Client may deny Acceptance by providing a written notice specifying in detail the reasons the System fails to meet the relevant criteria ("**Deficiency Notice**"). Company will correct any material deficiencies and will retender the System to Client for review and approval as soon as reasonably practicable. The foregoing described process shall repeat until Company corrects all material deficiencies and the System materially complies with the Ordering Document. If no Deficiency Notice is received by Company within the Acceptance Period, or if the System is utilized for purposes other than testing, regardless of whether Client executes Company's COC, the System shall be deemed accepted by Client. Company shall have no obligation to allow return or grant a refund for any part of a System that has been accepted by Client.

B. . For a shipped order that does not include installation (a.k.a. a box sale), Client's Acceptance shall be deemed to occur, and title and risk of loss shall transfer to Client, upon the System being shipped from Company's shipping point to Client's location.

4. Payment and Pricing Adjustments.

A. Payment. Client agrees to pay Company:

- i. for the sale and installation of the System as provided in the applicable Ordering Document;
- ii. for any System that is not purchased outright (a "**Leased System**"), Client acknowledges that the cost of the Leased System and installation labor is incorporated into the monthly fees set forth on the Ordering Document. Following the expiration of the Initial Term of the relevant Ordering Document, Client may contact Company to request a buy-out of the Leased System, whereby ownership of the Leased System would be transferred to Client, and to renegotiate the monthly fee. Unless and until a buy-out occurs, Company retains ownership of a Leased System. Client hereby authorizes Company to execute and file financing statements and/or continuation statements under the Uniform Commercial Code on Client's behalf and to file such documents in all places where necessary to perfect Company's interest in the Leased System. Client agrees to execute any such instruments as Company may request from time to time.

iii. for the monitoring, servicing and/or repairing of the System as provided in an Ordering Document, commencing from the date of Client's Acceptance; and

iv. for any interim charges in the amount of approximately 1/30th of the monthly charges for each day from and including the date the System becomes operative until the first of the following month. Payments for services are due sixty (60) months, in advance, commencing from the first day of the month following the date of Client's Acceptance.

B. Payment Terms, Collections. Payments are due thirty (30) days from the invoice date. Failure to pay amounts when due shall give Company the right to charge interest at the rate of 1½% per month, or other maximum permitted by law, on any delinquent balance. Should Company be required to retain an attorney or file suit with respect to collection of any amounts due, Client shall be responsible for payment of Company's attorney fees and expenses related to such collection efforts. Company reserves the right, upon seven (7) days written notice to Client, to suspend all services while Client's account is delinquent.

C. Progress Billing. If the price of a single project exceeds fifty thousand dollars (\$50,000.00), Company shall have the right to submit invoices for progress payments based on percentage of work completed for such project.

D. Pricing Adjustments. Company shall have the right to make any or all of the following pricing adjustments subject to the limitations set forth below:

i. Client agrees that at any time following expiration of (12) months from the Effective Date of this Agreement or from the date of Client's Acceptance of a System at a new location, Company may increase the monthly charges set forth in the applicable Ordering Document once a year, for the balance of the term and any renewal thereof. If Company increases the monthly charges by an amount greater than nine percent (9%), Client's sole remedy with respect to such increase is to terminate this Agreement upon written notice to Company within fifteen (15) days of the earlier of the first invoice reflecting such increase or any other notification to Client of the increase.

ii. Company reserves the right to, no more often than once annually and no sooner than six (6) months from the Effective Date, adjust any pricing under this Agreement, including but not limited to equipment, fees and labor rates, in the event that the Consumer Price Index-All Urban Workers (the "CPI") increases by greater than three percent (3%) between the Effective Date and the time of such adjustment. The percentage of such adjustment may be up to the percentage increase of the CPI.

iii. Company reserves the right to increase any pricing, after an Ordering Document is executed, to the extent that the price to Company of such item has been increased by Company's supplier. Client's sole remedy with respect to such an increase is to cancel the subject Ordering Document.

5. Miscellaneous Charges and Increase in Charges.

A. The prices given to Client are exclusive of taxes and Client shall be responsible for paying for any applicable City, State or Federal taxes, fees or charges which are imposed upon the equipment, the installation thereof or performance of the services provided for herein, including any increases in charges to Company for facilities required for transmission of signals under this Agreement.

B. At Company's option, a fee may be charged for any unnecessary service run or false alarm. If either Client or Company is assessed any fine or penalty by any municipality, fire, or police department as a result of any false alarm, Client shall pay the full amount of such fine or penalty. If, following an investigation at Client's request, it is mutually agreed that a false alarm was caused by Company, the amount of the fine or penalty paid by Client shall be credited to Client's account. Should the System excessively signal Company's monitoring facility as a result of any cause other than Company's sole negligence, Client authorizes Company to: (i) suspend performance of any of the services; (ii) shut down the panel and/or the System; and (iii) render some or all of the equipment incapable of sending a signal locally or communicating with any monitoring facility while the Parties investigate the source of the excessive signaling.

C. The payments set forth in the Ordering Document may include telephone company line charges, if required. Company may immediately increase its monthly charges to reflect such increased line charges for the Client facility covered by this Agreement. Client shall also pay any telephone company toll line charges incurred by the operation of the System.

D. Installation charges set forth in an Ordering Document assume installation will be performed during Company's Normal Working Hours and using its own personnel. If Client requests the installation or any part thereof to be performed outside of Company Normal Working Hours, or by Client specified contractors, or if Company's wage rates do not apply as a result of prevailing wage requirements, or otherwise, then the installation charge will be adjusted accordingly.

E. If any governmental agency, or any updated technology standards (including but not limited to cellular signal sunset), require any changes in the System originally installed for compliance requirements and/or continued functionality, Client agrees to pay for such changes. It is Client's responsibility to obtain all alarm use permits required by the local jurisdiction.

F. The prices quoted for the System are based upon the number of components, type of security and service specified in the Ordering Document. Should Client request or require additional protection, security devices or services, this may affect the final contract price. Cost associated with conditions not apparent at Company's initial survey and for delays other than caused by Company will be borne by Client at Company's then current rates.

G. Client shall pay the greater of (i) any penalties or charges incurred by Company; (ii) \$25.00, or (iii) the maximum amount permitted by law; in relation to any not-sufficient-funds (NSF) check submitted by Client.

H. Invoices to Client shall be provided electronically unless otherwise requested by Client. A nominal fee, not to exceed three dollars (\$3.00), may be charged for each paper invoice mailed.

I. Company may make periodic searches at credit reporting agencies and fraud prevention agencies and reserves the right to change payment terms based upon information obtained in the searches.

6. Liquidated Damages and Company's Limits of Liability.

A. THE PARTIES AGREE THAT (I) COMPANY IS PROVIDING A SYSTEM AND/OR SERVICE DESIGNED TO REDUCE THE RISK OF LOSS ONLY; (II) THE PAYMENTS PROVIDED FOR HEREIN ARE BASED SOLELY ON THE VALUE OF THE SYSTEM AND/OR SERVICES AS DESCRIBED HEREIN AND ARE UNRELATED TO THE VALUE OF ANY PROPERTY LOCATED ON CLIENT'S PREMISES; (III) COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN CASES OF MALFUNCTION OR NON-FUNCTION OF ANY SYSTEM PROVIDED OR SERVICED BY COMPANY OR THAT COMPANY IS NOT LIABLE FOR LOSSES WHICH MAY OCCUR IN THE MONITORING, REPAIRING, SIGNAL HANDLING OR DISPATCHING ASPECTS OF THE SERVICE, EVEN IF DUE TO COMPANY'S NEGLIGENCE OR FAILURE OF PERFORMANCE; (V) COMPANY IS NOT LIABLE FOR LOSSES RESULTING FROM FAILURE TO WARN OR INADEQUATE TRAINING; (VI) COMPANY IS NOT AN INSURER; AND (VII) INSURANCE COVERING PERSONAL INJURY, PROPERTY LOSS, AND DAMAGE TO AND ON CLIENT'S PREMISES MUST BE OBTAINED AND/OR MAINTAINED BY CLIENT. CLIENT UNDERSTANDS THAT (A) IT IS CLIENT'S DUTY TO PURCHASE SUCH INSURANCE; AND (B) COMPANY OFFERS SEVERAL LEVELS OF PROTECTION AND SERVICES AND THAT THE SYSTEM AND/OR SERVICE DESCRIBED IN THE ORDERING DOCUMENT HAS BEEN CHOSEN BY CLIENT AFTER CONSIDERING AND BALANCING THE LEVELS OF PROTECTION AFFORDED BY VARIOUS SYSTEMS AND THE RELATED COSTS. THIS AGREEMENT SHALL CONFER NO RIGHTS ON THE PART OF ANY PERSON OR ENTITY THAT IS NOT A PARTY HERETO, WHETHER AS A THIRD-PARTY BENEFICIARY OR OTHERWISE, WITH THE EXCEPTION OF THIRD PARTIES IDENTIFIED IN THIS SECTION 6.

B. IT IS AGREED THAT IT IS IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES WHICH MAY ARISE IN SITUATIONS WHERE THERE MAY BE A FAILURE OF THE SYSTEM AND/OR SERVICES PROVIDED, DUE TO THE UNCERTAIN NATURE OF POTENTIAL DAMAGES AND/OR VALUE OF CLIENT'S PROPERTY OR THE PROPERTY OF OTHERS KEPT ON THE PROTECTED PREMISES WHICH MAY BE LOST, STOLEN, DESTROYED, DAMAGED OR OTHERWISE AFFECTED BY OCCURRENCES WHICH THE SYSTEM OR SERVICE IS DESIGNED TO DETECT OR AVERT, INCLUDING LOSS, DAMAGE, OR INABILITY TO OR IMPAIRMENT OF ACCESS TO CLIENT DATA, INABILITY OF COMPANY TO GUARANTEE POLICE, FIRE DEPARTMENT AND MEDICAL ALERT RESPONSE TIME, AND ESTABLISHING A CAUSAL CONNECTION BETWEEN THE SYSTEM OR SERVICE PROBLEMS AND CLIENT'S POSSIBLE LOSS OR INJURIES TO THIRD PARTIES. THEREFORE, IF SECTION 6(A) IS JUDICIALLY DETERMINED TO BE INVALID, UNENFORCEABLE, OR IS OTHERWISE NOT ENFORCED, AND ANY LIABILITY IS JUDICIALLY IMPOSED ON COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES, FOR PROPERTY DAMAGE OR PERSONAL INJURY, SUCH LIABILITY SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED OR \$10,000 WHICHEVER IS LESS. (IF THERE IS NO ANNUAL SERVICE CHARGE FOR THE PARTICULAR LOCATION INVOLVED, COMPANY'S LIABILITY SHALL BE LIMITED TO \$500.00). THIS SUM SHALL BE PAID AND RECEIVED EITHER (i) AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, OR (ii) AS A LIMITATION OF LIABILITY APPROVED AND AGREED UPON BY THE PARTIES. THE PAYMENT OF THIS AMOUNT SHALL BE COMPANY'S SOLE AND EXCLUSIVE LIABILITY REGARDLESS OF WHETHER LOSS OR DAMAGE IS CAUSED BY THE PERFORMANCE OR NONPERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT OR BY NEGLIGENCE, ACTIVE OR OTHERWISE, OF COMPANY, ITS EMPLOYEES, AGENTS OR REPRESENTATIVES. IF CLIENT WISHES COMPANY TO INCREASE THE AMOUNT OF THE LIQUIDATED DAMAGES OR LIMITATION OF LIABILITY AS PROVIDED ABOVE, CLIENT MAY OBTAIN FROM COMPANY AN ADDITIONAL AMOUNT OF LIQUIDATED DAMAGES OR HIGHER LIMITATION OF LIABILITY BY PAYING AN ADDITIONAL MONTHLY SERVICE CHARGE TO COMPANY. THIS CLAUSE WILL IN NO WAY BE INTERPRETED TO ESTABLISH COMPANY AS AN INSURER.

C. IN NO EVENT WILL COMPANY, ITS EMPLOYEES, OR AGENTS OR REPRESENTATIVES BE RESPONSIBLE FOR ANY LOST PROFITS, LOSS OF REVENUE, COST OF COVER, OR ANY CONSEQUENTIAL, INDIRECT, SPECIAL OR INCIDENTAL DAMAGES OF ANY NATURE WHATSOEVER, WHETHER SOUNDING IN CONTRACT, TORT (INCLUDING NEGLIGENCE, STRICT LIABILITY AND PRODUCTS LIABILITY), OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF THE DAMAGES AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF THIS AGREEMENT OR ANY LIMITED REMEDY HEREUNDER.

D. NO SUIT OR ACTION SHALL BE BROUGHT AGAINST COMPANY MORE THAN TWO (2) YEARS AFTER THE ACCRUAL OF THE CAUSE OF ACTION ARISES.

E. BECAUSE THE PARTIES AGREE THAT CLIENT RETAINS THE SOLE RESPONSIBILITY FOR THE LIFE AND SAFETY OF ALL PERSONS ON ITS PREMISES, AND FOR PROTECTING AGAINST LOSSES TO CLIENT'S OWN PROPERTY OR THE PROPERTY OF OTHERS ON ITS PREMISES, CLIENT AGREES TO INDEMNIFY AND SAVE HARMLESS COMPANY, ITS EMPLOYEES, AGENTS, OR REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES BY PERSONS NOT A PARTY TO THIS AGREEMENT, ALLEGED TO BE CAUSED BY THE IMPROPER OPERATION OF THE SYSTEM, WHETHER DUE TO MALFUNCTIONING OR NONFUNCTIONING OF THE SYSTEM OR THE NEGLIGENT PERFORMANCE OR NONPERFORMANCE BY COMPANY OF ANY SERVICE PROVIDED BY COMPANY, INCLUDING BUT NOT LIMITED TO, THE INSTALLATION, REPAIR, MONITORING, SIGNAL HANDLING, OR DISPATCHING ASPECTS OF THE SERVICE.

F. WITH RESPECT TO LEASED SYSTEMS, CLIENT EXPRESSLY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CLIENT UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND ANY RIGHTS NOW OR HEREAFTER CONFERRED UPON A CLIENT BY STATUTE OR OTHERWISE THAT MAY LIMIT OR MODIFY COMPANY'S RIGHTS AS DESCRIBED IN THIS SECTION OR OTHER SECTIONS OF THIS AGREEMENT OR APPLICABLE SCHEDULE.

G. This Section 6 shall apply to any other company or entity, and the work it performs, which furnishes, as a subcontractor or otherwise, any installation, repairs, maintenance, monitoring or other services provided hereunder.

7. Limited Equipment Warranty.

A. Where Client purchases a System under this Agreement, unless Client has purchased a service plan that commences from the date of installation, Company warrants to Client that the equipment provided will conform to its associated documentation under normal use and operating conditions for a period of ninety (90) from the date of Acceptance. If, during this warranty period, any of the equipment or parts are

defective or malfunction, they will be repaired or replaced, at Company's sole option, free of charge. Warranty repair is provided during Company's Normal Working Hours. This warranty will not apply if the damage or malfunction occurs due to (i) adjustments, additions, alternations, abuse, misuse or tampering of the System by the Client (ii) System operation or use contrary to the operating instructions; (iii) software used with an operating system other than that specified by Company or its original equipment manufacturer ("OEM"); (iv) performance issues relating to the use of Client's data network(s); (v) power fluctuations; or (vi) any other cause not within the cause or control of Company. If inspection by Company fails to disclose any defect covered by this limited equipment warranty, the equipment will be repaired or replaced at Client's expense and Company's regular service charges will apply.

B. DISCLAIMER OF ALL OTHER WARRANTIES. EXCEPT FOR THE FOREGOING LIMITED EQUIPMENT WARRANTY, COMPANY MAKES NO OTHER WARRANTIES AND HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OR USAGE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, SATISFACTORY QUALITY, OR QUIET ENJOYMENT AND ANY WARRANTY THAT THE SYSTEM OR SERVICE SUPPLIED MAY NOT BE COMPROMISED, OR THAT THE SYSTEM OR SERVICE WILL IN ALL CASES PROVIDE THE PROTECTION FOR WHICH IT IS INTENDED. COMPANY MAKES NO WARRANTIES CONCERNING ANY EQUIPMENT OR DEVICES ATTACHED TO CLIENT'S SYSTEM UNLESS SUCH EQUIPMENT OR DEVICES WERE ORIGINALLY PURCHASED AND INSTALLED UNDER THIS AGREEMENT.

C. STATE LAW. SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY. THE WARRANTY PROVIDES SPECIFIC LEGAL RIGHTS AND CLIENT MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. Software License.

Client's use of any computer application, program, and/or documentation (collectively "Software") provided hereunder is owned by Company, its affiliates or one of its OEMs and is protected by United States and international copyright laws and international treaty provisions, and is governed by the terms and conditions of any license included in or with such software (including but not limited to a click-wrap or shrink-wrap agreement) or as appears on a web site as of the date that the Client signs the Ordering Document referencing this Agreement. If Client does not agree to abide by such terms, then Client should not install or use such Software. Any breach of this Agreement will automatically terminate the Client's right to use the software. Client may not copy the software other than in accordance with the terms and conditions of the applicable end user software license agreement. Client may not reverse-engineer, disassemble, decompile or attempt to discover the source code of any software. Client acknowledges that any breach of this Section 8 shall result in irreparable injury to Company for which the amount of damages would be unascertainable. Therefore, Company may, in addition to pursuing any and all remedies provided by law, seek an injunction against Client from any court having jurisdiction, restraining any violation of this Section 8.

9. Further Obligations of Client.

A. Client, at its own expense, shall supply appropriate unswitched AC electric power, outlets for such power, located according to Company's requirements, and telephone company interconnection jacks, if required.

B. Client shall not tamper with, alter, adjust, add to, disturb, injure, move, remove, interconnect with other equipment, or otherwise interfere with System(s) installed by Company, nor shall Client permit the same to be done by others. It is further agreed that CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FOR ANY CLAIM ARISING OUT OF THE FOREGOING, and that if any work is required to be performed by Company due to Client's breach of the foregoing obligations, Client will pay Company for such work in accordance with Company's then current prevailing charges.

C. For those premises where Company is to provide monitoring services, Client shall be solely responsible for providing to and updating Company with the information required to provide the services hereunder, including but not limited to a list of the names, titles, telephone numbers and signatures of all persons authorized to enter the premises of Client during scheduled closed periods, instructions on order of contacting individuals and authorities in case of an alarm signal or other type of signal, an authorized daily and holiday opening and closing schedule; authorized contacts and accurate contact information ("Action Plan"). Client agrees that telephone calls and video received or transmitted by the Client Service Center, including the receipt and transmission of alarm signals, may be electronically recorded by Company. Client consents to such recording and will inform its employees and appropriate third parties that such recordings are authorized.

D. Client is solely responsible for activating any intrusion alarm System at such times as Client shall close its premises. Client shall regularly test its System(s), including conducting walk tests of any motion detection equipment, and shall immediately report to Company any claimed inadequacy in, or failure of, any System.

E. Client shall permit Company access to the premises for any reason arising out of, or in connection with, Company's rights or obligations under this Agreement.

F. At any time during the Initial Term of this Agreement or any Renewal Term, Company may reasonably determine that equipment being serviced hereunder is obsolete or not otherwise reasonably capable of being maintained in an operable condition as a result of age, volume of use, unavailability of necessary replacement parts or other reason or condition. In such event, upon receipt of written notice or such determination from Company, Client shall either replace the obsolete equipment with new equipment, remove the equipment from the scope of coverage of this Agreement, or agree in writing that such equipment will continue to be serviced hereunder by Company (if Company is able to do so) on a time and materials basis.

G. Should any part of the System be damaged by fire, water, lightning, acts of God, third parties or any cause beyond the control of Company, any repairs or replacement shall be paid for by Client (ordinary wear and tear excepted in the case of a Leased System).

H. Client represents and warrants that Client is the owner of the premises or, if not, that the owner agrees and consents to the installation of the System on the premises. Client shall indemnify and hold Company harmless from any losses or damages, including attorney fees, resulting from breach of such representation and warranty, or from Company's inability to recover Leased System components when Client moves out of the premises.

I. For those premises where Company is to provide central station sprinkler supervisory and water flow alarm or automatic fire alarm service, Client warrants and agrees that all alarm valves, gate valves, tanks, pumps, compressors, inspector test connections, or other elements of the sprinkler system as now installed or to be installed, are, or will be, corrected at Client's expense so as to be acceptable to the insurance and other authorities having jurisdiction when equipped with Company's signaling devices. Client further agrees to furnish any necessary water through Client's meter and at Client's expense, to place hoods over any open forges or fires, and to pipe all boiler blow-offs and steam exhaust outside the premises to be protected.

J. For those premises where the System transmits video Client shall (i) provide and maintain adequate power and lighting for all cameras or other video-related equipment; (ii) instruct all personnel who may use the service or the System of any of the limitations respecting the service or the System as set forth in an agreement or otherwise; (iii) take all steps necessary to inform any person who may be the subject of any video and/or audio monitoring of the possibility of such monitoring including the prominent and conspicuous display of signs or the broadcasting of periodic or intrusion-related aural announcements informing any such person of the audio and/or video monitoring while on the premises; (iv) not use or permit the use of video data transmitted or received from cameras installed with a view where any person may have a reasonable expectation of privacy including restrooms, dressing or changing areas, locker rooms or similar areas; (v) use the service and video transmitted from a System only for the intended purpose of providing security surveillance or management services and for no other purpose; (vi) not use the services or video transmitted from a System for any criminal, illegal or otherwise unlawful activity, including invasion of or intrusion upon the privacy or seclusion or the private affairs of another or eavesdropping or for viewing, transmitting or storing sexually explicit materials; and (vii) obtain and keep in effect all permits or licenses required for the installation and operation of the System or use of the service.

K. It is mutually agreed that the Client assumes full responsibility for the operation of any and all bypass or switch units provided for disconnecting or reconnecting the alarm sounding and/or transmitting equipment at Client's premises.

L. Client represents that, except to the extent it has given Company written notice prior to the execution of this Agreement, (i) the work and/or services to be performed hereunder are not subject to any Federal, State or local prevailing wage statute or regulation, and (ii) to the best of its knowledge there is no asbestos or presumed asbestos-containing material, formaldehyde or other potentially toxic or hazardous material contained within, or in, on or under any portion of any area where work will be performed under this Agreement. If such materials (whether or not disclosed by Client) are discovered and such materials provide an unsafe or unlawful condition, such discovery shall constitute a cause beyond Company's reasonable control and Company shall not start, or continue, to perform its work under this Agreement until Client has remedied the unsafe or unlawful condition at Client's sole expense. CLIENT SHALL INDEMNIFY AND HOLD COMPANY HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, COSTS AND EXPENSES OF ANY KIND (INCLUDING ATTORNEYS' FEES) FOR FINES, PENALTIES, BACK WAGES, BODILY INJURY, PROPERTY DAMAGE, DELAY OR WORK STOPPAGE THAT ARISES UNDER OR RESULTS FROM SUCH UNSAFE OR UNLAWFUL CONDITIONS (REGARDLESS OF WHETHER OR NOT CLIENT DISCLOSED SUCH MATERIALS TO COMPANY). Client further represents that it is not subject to any economic or trade sanctions and will immediately notify Company if it becomes subject to such sanctions, in which event Company shall be entitled to immediately terminate this Agreement.

10. **Obligations of Company; Limitations.**

A. Neither party shall be held responsible or liable for delay in installation of the System or interruption of service due to strikes, lockouts, riots, floods, fires, lightning, acts of God, pandemics, endemics, supply chain issues and shortages, or any cause beyond the control of such party, including interruptions in internet, telephone, or other telecommunications service (each a "**Force Majeure**"). Company will not be required to perform installation or supply service to Client while any such cause shall continue. If such Force Majeure event continues for more than thirty (30) days, either party may terminate this Agreement without liability as of the date specified in a written notice to the other party.

B. For those premises where monitoring service is provided, Company, upon receipt of an alarm signal from Client's premises, shall (unless previously instructed otherwise by Client), follow the Action Plan. If no Action Plan is in place, Company shall make a reasonable effort to notify Client and/or the pertinent authorities of the alarm, with the exception that Company shall clear the alarm signal if, through video or audio verification, Company determines an emergency does not exist.

C. Company reserves the right to use automated notification procedures in lieu of phone call notifications for non-emergency signals, unless expressly prohibited by local authorities. If Client requires phone notification for non-emergency signals, Client agrees to subscribe to such service and an additional fee may apply. Phone notification for non-emergency signals will be made during normal business hours unless expressly requested otherwise by Client.

D. Company may choose not to notify emergency personnel if it has reason to believe that an emergency condition does not exist. Company and Client are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over the System. Company reserves the right to discontinue or change any particular response service due to such governmental requirements or any insurance requirements without notice. Client consents to the tape and video recording of telephonic and video communications between Client's premises and Company, and Client will inform its employees and third parties that such recordings are authorized. If Client's police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, Client agrees to subscribe to such service if provided by Company, or otherwise comply with such requirements, and an additional fee may apply for such services.

E. If a service plan or software support option is purchased by Client, Company will provide and install software updates during Company's Normal Working Hours, as they become commercially available. Software updates that do not apply to the Client's current operations, as determined by Company and the OEM, will not be installed by Company. Software upgrades shall be made available for purchase. In the event

the Client elects to have someone other than Company install a software update or upgrade, Client shall assume any and all liability for damage caused pursuant to the installation. Service and updates for third party software not supplied by Company are excluded from this Agreement.

11. Communication Limitations.

A. Client understands that if any System installed under this Agreement is monitored, due to the nature of the method used for communicating alarm signals to the Client Service Center there may be times when that communication method is not able to transmit signals and Company will not receive alarm signals. Digital communicators use standard telephone lines and Company does not receive signals when the telephone systems become non-operational or the telephone line is placed on vacation status, cut, interfered with, or otherwise damaged. There will be times when any radio frequency method, such as cellular, public or private radio systems, or any Internet based service, cannot transmit an alarm signal due to lack of signal strength, network congestion, or availability of a communication channel. Similarly, any other type of communication method installed under this Agreement also can experience an inability to communicate alarm signals. Client understands that Company offers several levels of communication methods of alarm signals to the Client Service Center and that the services described on the Ordering Document have been chosen by Client after considering and balancing the levels of protection afforded by various communication methods and the related costs. Client acknowledges and agrees that Client is solely responsible for the selection of the type of communication method and whether the utilization of more than one communication method is required. Communications networks provided by independent carriers or providers are wholly beyond Company's control and are maintained and serviced, solely by the applicable carrier or provider. Client agrees to reimburse Company for any costs incurred to reprogram the communicator because of area code changes or other dialing pattern changes. If telephone service is used, the use of DSL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring center and/or interfere with the telephone line-seizure feature of the System. Such services should be installed on a telephone number that is not used for alarm signal transmission. Client agrees to notify Company if Client has installed or intends to install DSL or other broadband service. IMMEDIATELY AFTER THE INSTALLATION OF DSL OR OTHER BROADBAND SERVICE, THE SYSTEM'S SIGNAL TRANSMISSION MUST BE TESTED WITH THE MONITORING CENTER.

B. For those premises where card access security is provided, Company assumes no responsibility or liability for lost or stolen access cards.C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

C. For those premises with a direct connection to the police, fire department, or other agency, it is mutually understood and agreed that signals transmitted hereunder will be monitored in police and/or fire departments or other locations, and that the personnel of such police and/or fire departments or other agencies are not Company's agents, nor does Company assume any responsibility for the manner in which such signals are monitored or the response, if any, to such signals.

D. Company shall not be responsible for the replacement of equipment or parts no longer commercially available to Company.

12. Title to Equipment and Use of Leased Equipment.

A. If Client purchases a System, Client agrees that Company retains a security interest in the System until the full purchase price is paid.

B. Any Leased System installed on the Client's premises shall at all times remain solely the property of Company and Client agrees not to permit the attachment thereto of any equipment not furnished by Company. It is further understood and agreed that Company may remove, disable, or abandon all or any part of the Leased System, including all wiring installed by Company upon termination of the Agreement by lapse of time, default of any monies due hereunder, or otherwise, without any obligation to repair or redecorate any portion of the protected premises, provided that such removal, disablement, or abandonment shall not be held to constitute a waiver of the right of Company to collect any charges which have accrued hereunder. Client shall have no right, title or interest in the Leased System outside of the leasehold interest created by the Ordering Documents.

C. Client shall keep all Leased Systems at all times free and clear from all liens, claims, levies, encumbrances, security interests and processes, of any nature whatsoever. Client shall give Company immediate notice of any such attachment or other judicial process affecting any of the equipment. Without Company's written permission, Client shall not attempt to or actually: (i) pledge, lend, create a security interest in, sublet, exchange, trade, assign, swap, use for an allowance or credit or otherwise; (ii) allow another to use; (iii) part with possession; (iv) dispose of; or (v) remove from the location of installation, any item of equipment. If any item of equipment is exchanged, assigned, traded, swapped, used for an allowance or credit or otherwise to acquire new or different equipment (the "new equipment") without Company's prior written consent, then all the new equipment shall become equipment owned by Company subject to this Agreement and the applicable Schedule.

13. Termination.

A. Company may terminate this Agreement:

- i. Immediately, upon written notice, in the event Client defaults in the performance of any of the terms and conditions of this Agreement, including the failure to make any payment as agreed herein, and fails to cure or remedy the default within thirty (30) calendar days from receipt date of written notice by Company of such default. If Company terminates under this Section 13(A)(i), the balance of all monies due and for the unexpired term of orders subject to this Agreement shall become immediately due and payable, together with interest at the maximum legally allowable rate; or
- ii. immediately, upon written notice, in the event the Client Service Center, the telephone lines, wires, or Company's equipment within Client premises are destroyed or so substantially damaged that it is commercially impractical to continue service to Client's premises; or
- iii. as provided in Section 2 relating to expiration.

B. Client may terminate this Agreement:

- i. immediately, upon written notice for any individual location in the event the Client location is, by any cause beyond the control of Client, destroyed or so substantially damaged that it is commercially impractical for Client to continue any operations at such location;

Quote Page # 11 of 13

- ii. if Company materially breaches this Agreement, and such material breach is not cured within thirty (30) days of written notification by Client of such material breach;
 - iii. as provided in Section 2 relating to expiration.
- C. In the event of any termination under this Section 13,
- i. if Client is using Leased Equipment, Client must pay Company all payments remaining to be made under this Agreement through its scheduled expiration;
 - ii. Client shall permit Company access to Client's premises in order to deactivate any signaling device, and/or to remove or disable the System pursuant to Section 12;
 - iii. written notification by facsimile, U.S. mail or by courier shall be acceptable.
- D. The provisions that by their express terms or nature continue and surviving, including the payment and taxes terms, the limitation on liability, consequential damages waiver, warranty disclaimer, insurance and waiver of subrogation, severability and savings, jury trial waiver, entire agreement and governing law provision, will survive any termination, expiration or cancellation of this Agreement.

14. Assignment.

This Agreement and the rights hereunder are not assignable by the Client, except upon written consent of Company first being obtained. Company shall have the right to assign its rights under this Agreement without the consent of, but with notification to, the Client. Any attempted assignment in violation of this Section 14 is void.

15. Subcontracting.

Company may, in its sole discretion, subcontract any of Company's obligations under this Agreement.

16. Insurance and Waiver of Subrogation.

Client shall obtain, and maintain, insurance coverage and/or an appropriate self-insurance program to cover all losses, damage, or injury Client may sustain in security-related incidents. Client shall look solely to its insurer for recovery of security incident related losses and hereby waives any and all claims for such losses against Company. Client agrees to obtain insurance permitting said waiver without invalidating coverage. Both parties do hereby for themselves and for other parties claiming under them, release and discharge each other from and against all claims arising from hazards covered by insurance, it being expressly agreed and understood that no insurance company or insurer will have any right of subrogation against either party.

17. Severability and Savings.

In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, void, illegal, or unenforceable by any court, arbitrator, or governmental agency, the remaining provisions of this Agreement shall remain in full force and effect, and the invalid, void, illegal, and/or unenforceable provision(s) shall survive to the extent not so held.

18. Non-Solicitation.

During the term of this Agreement and for a period of not less than one (1) year following its expiration or termination, both parties agree not to solicit as an employee, consultant, agent, subcontractor and/or representative (hereinafter "**Employee**") any person who is an Employee of the other party at the time of such solicitation. If this covenant is breached, the non-breaching party will be entitled to seek injunctive relief to be issued by any court of equity having jurisdiction to enjoin and restrain the breaching party and the subject Employee, and each and every other person concerned therein from further violation thereof, and in addition thereto, if a court finds a violation of this clause, the non-breaching party will be entitled to liquidated damages, due to the difficulty of proof of actual damages, against the breaching party in the amount of the hired employee's fully loaded salary, including benefits, bonuses, commissions, stock grants, the cost of training and other similar fully loaded elements. Both parties acknowledge that such amount is reasonable, not a penalty and not disproportionate to the presumed investment in the training of such Employee and the damages suffered by the non-breaching party. Solicitation through advertisements directed at the general public or through independent recruiters who contact a party's Employee without the party's knowledge will not be considered solicitations for purposes of this paragraph.

19. Electronic Signature.

The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

20. Choice of Law.

This Agreement is entered into in the State of New York and shall be interpreted, enforced and governed under the laws of the State of New York without regard to application of conflicts of laws principles that would require the application of any other law. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

21. Waivers.

A. Jury Trial Waiver. Both parties to this Agreement, knowingly, voluntarily and intentionally waive any right they may have to a trial by jury in respect to any litigation arising out of, under, in connection with, or relating to this Agreement.

B. Terrorism Waiver. In no event will either Party or its insurers be liable to the other Party for loss or damage arising from or related to any acts of terrorism. The Parties intend for this waiver to "flow down" to their respective contractors.

22. Confidentiality

A. Confidential Information. From time to time during the Term, either Party may disclose or make available to the other Party non-public information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information that the receiving party knows or reasonably should know is confidential to the disclosing party or its affiliates, whether orally or in written, electronic, or other form or media/in written or electronic form or media, whether or not marked, designated, or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information does not include information that, at the time of disclosure, is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; (c) rightfully obtained by the receiving party on a non-confidential basis from a third-party; or (d) independently developed by the receiving party.

B. Non-Disclosure. The receiving party shall not disclose the disclosing Party's Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to exercise its rights or perform its obligations hereunder. Notwithstanding the foregoing, each Party may disclose Confidential Information to the limited extent required (i) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party

making the disclosure pursuant to the order shall first have given written notice to the other Party and made a reasonable effort to obtain a protective order; or (ii) to establish a Party's rights under this Agreement, including to make required court filings. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

C. Return or Destruction. On the expiration or termination of this Agreement, the receiving party shall, to the extent practicable, promptly return to the disclosing party all copies, whether in written, electronic, or other form or media, of the disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the disclosing Party that such Confidential Information has been destroyed. Each Party's obligations of non-disclosure with regard to Confidential Information are effective as of the Effective Date and will expire three years from the effective date of termination of this Agreement.

23. Miscellaneous

A. The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of this Agreement, which shall be considered as a whole.

B. The word "including", when used herein, is illustrative rather than exclusive and means "including, without limitation."

C. Any written notifications to Company shall be directed to 8350 Sunlight Drive, Fishers, IN 46037, Attn: Counsel. Any written notifications to Client shall be directed to the address identified in the first paragraph of this Agreement.

24. Entire Agreement.

This Agreement, including any attached Ordering Documents and Exhibits (which are incorporated by reference), constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all other prior understandings or agreements, whether oral or written, relating to such subject matter. This Agreement may not be changed, modified, or varied except in a writing that both identifies itself as an amendment to this Agreement and is signed by an authorized representative of Company. It is understood and agreed by and between the parties hereto, that the terms and conditions of this Agreement shall govern notwithstanding any additional or inconsistent terms or conditions contained in any purchase order or other document submitted by Client. Client hereby acknowledges that Client has read this entire Agreement and agrees to be bound by all its terms and conditions.

IMPORTANT INFORMATION FOR PURCHASERS OF ALARM SYSTEMS AND SERVICES IN THE STATE OF CALIFORNIA

Company is a licensed alarm company operator as defined in the California Alarm Company Act (the "Act") and is regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Post Office Box 980550, West Sacramento, CA 95798-0550, Phone (916) 322-4000. Company shall provide Client a fully executed copy of the Agreement before any work is done. Upon completion of the installation of the alarm system, Company shall thoroughly instruct Client in the proper use of the alarm system. Company reserves the right, in the event of non-payment, to assert a mechanic's lien against the Premises. In the event of the assertion of such a lien, Company must provide notice to Client and record the lien and/or payment bonds (if applicable) in accordance with California law. Client has the right to dispute such a lien based on whether legal requirements with respect to such a lien are satisfied.

California License # of Sales Agent (if applicable): _____

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this agreement by their signatures below on the dates indicated:

SECURITAS TECHNOLOGY CORPORATION

By:

Name:

Title:

Date:

Customer: SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT

By:

Name:

Title:

Date:



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1953

To: Board of Directors
From: Betsy Miller, General Manager
Date: July 12, 2023
Subject: Capital Purchase of Ford F-350

RECOMMENDATION

Authorize the capital purchase of Ford F-350 and associated warranty for the Operations staff at a cost not to exceed \$74,500.

BACKGROUND AND DISCUSSION

Each member of the District's Operations Team is assigned a field vehicle, with the current fleet comprised of two 2020 Ford F-150s and a 2014 Ford F-150. At the recommendation of the Finance & Administration Committee on March 22, a replacement for the 2014 Ford F-150 was included in the FY24 budget which was approved by the Board on June 14, 2023. The proposed replacement recommended for Board approval includes a 2023 Ford F-350 which will enable the field team to utilize a portable power source to complete repairs on-site in the field and thus save staff time that is currently required to drive materials to and from the shop for repairs.

Staff requested quotes from three dealerships: Quotes were received from two dealerships while the third dealership indicated that they no longer have 2023 models in stock. Staff selected the lowest priced quote of \$68,835.00 from Ken Grody Ford for presentation to the Board. Approval to expend up to an additional \$5,665 is requested to allow staff to research and review extended warranty options. The District proposes to retain the 2014 Ford F-150 for use by the natural resources and engineering teams, along with the 2003 Suburban.

FISCAL IMPACT

Approval of this item would result in expenditure of up to \$74,500 from Capital GL 7230, Field Equipment/Vehicles.

POTENTIAL MOTIONS

1. Authorize the General Manager to purchase a new Field Operations truck from Ken Grody Redland Ford; and research and, if determined to be cost-effective, purchase an extended warranty, for a not to exceed a total of \$74,500.

2. Move to request this item be tabled and referred to Finance & Administration and/or Operations Committee(s) for reconsideration of specific issues discussed.

ATTACHMENTS OR MATERIALS

Quote from Ken Grody Ford Redlands

Prepared for: Manuel Colunga

Field Supervisor, San Bernardino Valley Water Conservation District

Prepared by: Phillip Ernst

04/06/2023



Ken Grody Ford - Fleet | 1121 W. Colton Avenue Redlands CA | 92374

2023 **F-350** 4x4 SD Super Cab 8' box 164" WB SRW XLT (X3B)

Price Level: 330

Le box

Major Equipment

- * AdvanceTrac w/Roll Stability Control electronic stability control system with anti-roll
- * Seat mounted side impact driver airbag
- * Seat mounted side impact front passenger airbag
- * SecurILock immobilizer
- * Rear under seat climate control ducts
- * 60-40 folding rear seats
- * Front facing rear seat
- * Height adjustable rear seat head restraints
- * 3 rear seat head restraints
- * Split-bench front seat
- * Front passenger seat with 4-way directional controls
- * Manual front seat head restraint control
- * Front seat armrest storage
- * Power height adjustable driver seat
- * Power driver seat cushion tilt
- * Manual passenger seat fore/aft control
- * Cloth front seatback upholstery
- * 4-wheel disc brakes
- * Brake assist system
- * Driver front impact airbag
- * Cancellable front passenger air bag
- * 6 airbags
- * Manual climate control
- * Fixed rear seats
- * Split-bench rear seat
- * Fold-up rear seat cushion
- * Manual rear seat head restraint control
- * 40-20-40 split-bench front seat
- * Driver seat with 8-way directional controls
- * Height adjustable front seat head restraints
- * Front seat center armrest
- * Power reclining driver seat
- * Power driver seat fore/aft control
- * Manual reclining passenger seat
- * Cloth front seat upholstery
- * Driver seat with 2-way power lumbar
- * 4-wheel antilock (ABS) brakes
- * Hill Descent Control

As Configured Vehicle

MSRP

Tires: LT275/70Rx18E BSW A/T (4)	\$265.00
GVWR: 11,500 lb Payload Package w/6.7L & A/T	Included
Hill Descent Control	Included
Off-Road Specifically Tuned Shock Absorbers	Included
Transfer Case & Fuel Tank Skid Plates	Included
Unique FX4 Off-Road Box Decal	Included
Pro Power Onboard - 2kW	\$985.00
Tough Bed Spray-In Bedliner	\$595.00
Upfitter Switches (6)	\$165.00
<hr/>	
SUBTOTAL	\$66,940.00
Destination Charge	\$1,895.00
<hr/>	
TOTAL	\$68,835.00

Prices and content availability as shown are subject to change and should be treated as estimates only. Actual base vehicle, package and option pricing may vary from this estimate because of special local pricing, availability or pricing adjustments not reflected in the dealer's computer system. See salesperson for the most current information.



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Memorandum No. 1954

To: Board of Directors

From: Betsy Miller, General Manager

Date: July 12, 2023

Subject: CSDA Board of Directors Elections for 2024-2026, Seat C-Southern Network

RECOMMENDATION

Select a candidate for the CSDA Board of Directors Elections for 2024-2026, Seat C-Southern Network, and direct staff to nominate the Board’s selected candidate via the California Special District’s Association (CSDA) online voting platform reflecting the Board’s decision.

BACKGROUND AND DISCUSSION

The leadership of CSDA is elected from its six geographical regions; each region has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a member of CSDA. To date, the District has received candidate information for the Southern Network region from the following:

- Al Nederhood, Municipal Water District of Orange County
- Arlene Schafer, Costa Mesa Sanitary District
- John Skerbelis, Rubidoux Community Services District

The deadline for ballot submission is July 14, 2023.

FISCAL IMPACT

Approval of this item results in no fiscal impact to the District.

POTENTIAL MOTIONS

1. Move to select a candidate for the CSDA Board of Directors Elections for 2024-2026, Seat C-Southern Network, and direct staff to nominate the Board’s selected candidate via the California Special District’s Association (CSDA) online voting platform reflecting the Board’s decision.
2. Take no action which will result in staff not submitting a nomination for this election to CSDA.

ATTACHMENTS OR MATERIALS

Written Request for Support from Al Nederhood
Candidate Information



Street Address:
18700 Ward Street
Fountain Valley, California 92708

Mailing Address:
P.O. Box 20895
Fountain Valley, CA 92728-0895

(714) 963-3058
Fax: (714) 964-9389
www.mwdoc.com

Megan Yoo Schneider, P.E.
President

Bob McVicker, P.E., D.WRE
Vice President

Randall Crane, Ph.D.
Director

Larry D. Dick
Director

Al Nederhood
Director

Karl W. Seckel, P.E.
Director

Jeffery M. Thomas
Director

Harvey De La Torre
Interim General Manager

MEMBER AGENCIES

City of Brea
City of Buena Park
East Orange County Water District
El Toro Water District
Emerald Bay Service District
City of Fountain Valley
City of Garden Grove
Golden State Water Co.
City of Huntington Beach
Irvine Ranch Water District
Laguna Beach County Water District
City of La Habra
City of La Palma
Mesa Water District
Moulton Niguel Water District
City of Newport Beach
City of Orange
Orange County Water District
City of San Clemente
Santa Margarita Water District
City of Seal Beach
Serrano Water District
South Coast Water District
Trabuco Canyon Water District
City of Tustin
City of Westminster
Yorba Linda Water District

May 26, 2023

Re: Support for Director Al Nederhood, CSDA Board of Directors, Southern Network Seat C

On behalf of the Municipal Water District of Orange County (MWD OC), it is my pleasure to share our unanimous support for Director Al Nederhood for the CSDA Board of Directors, Southern Network Seat C. MWD OC is a wholesale water supplier serving 3.2 million residents through 27 retail water agencies, making Director Nederhood uniquely qualified.

Director Nederhood brings seven years of Special District board experience as well as decades as a senior manager in the private sector to his candidacy. He willingly listens to constituents and fellow board members, and then works hard to create effective solutions. He actively engages with our local CSDA chapter, as well as CSDA and ACWA events.

Attached you will find a candidate's statement highlighting some of Director Nederhood's accomplishments. You will notice he has demonstrated his innovative thinking on behalf of special districts of all sizes which would make him an asset to the CSDA Board of Directors, bringing a fresh perspective to long-term practices.

I encourage you to share this information with your Board of Directors and that you strongly consider supporting Director Al Nederhood for the CSDA Board of Directors, Southern Network Seat C for the 2023 election. Electronic voting begins on June 5 and will continue until July 14. Please do not hesitate to contact me or Director Nederhood personally should you have any questions. His contact information can be found on the attached candidate's statement. Thank you for your consideration.

Sincerely,

Megan Yoo Schneider, M.S., P.E.
Board President



**California Special
Districts Association**

Districts Stronger Together

2023 CSDA BOARD CANDIDATE INFORMATION SHEET The following information MUST accompany your nomination form and Resolution/minute order:

Name: Albert M. Nederhood

District/Company: Municipal Water District of Orange County (MWDOC)

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 2 years with MWDOC, 4 years with Yorba Linda Water District as elected Board Member

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.): I have attended nearly 100% of the public meetings for ISDOC (Independent Special Districts of Orange County) over the last 6 years. I spent 2 years working with Jim Fisler and Sandra Jacobs (both past ISDOC Presidents) to successfully revise the Special District dues structure created in 2000 to more accurately and fairly reflect revenue and dues payable to LAFCO.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.): Over the last 6 years I have attended most of the conferences held by the Urban Water Institute, ACWA, the Colorado River Water Users, as well as many Metropolitan Water District Board meetings.

3. List local government involvement (such as LAFCO, Association of Governments, etc.): For the 2 years that it took to initiate, revise and successfully change the LAFCO dues required of Special Districts in Orange County, I attended virtually all of the monthly OC-LAFCO meetings.

4. List civic organization involvement: I was elected twice and served on the Yorba Linda Water District Board, a Special District.

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot. Page 133 of 173 2023 BOARD OF DIRECTORS NOMINATION FORM**

Al Nederhood Candidate Statement:

I was introduced to CSDA in 2016 as a newly elected Director to the Yorba Linda Water District. I attended the CSDA training for new directors which opened my eyes to the responsibilities and value of Special Districts. I made friends at that training that continue on today including former YLWD Director Brooke Jones and current Director John Sears of East Orange County Water District.

Before getting involved in water issues later in life, I began my professional career as a high school teacher. I moved on to the business world including Xerox and 7-Eleven Stores as a Merchandise Manager. I was the college president for a variety of vocational colleges and ended my career as the President of a non-profit in Santa Ana.

After my 2016 election I attended ISDOC and LAFCO meetings. I became aware of the dues structure created by ISDOC in 2000. This structure, in place for 20 years, no longer represented the realities of revenue and dues. Many smaller revenue Special Districts had disproportionately large dues. By working with Director Jim Fisler from Mesa Water and Director Sandra Jacobs of Santa Margarita Water District, we revised the 20-year-old structure into a more equitable dues arrangement that saved smaller districts tens of thousands of dollars each year.

As an elected director to two different Special Districts, first YLWD and now MWDOC, I've experienced first-hand the vital role that Special Districts have in California life, infrastructure and politics.

As the elected representative for the Southern Network, it is my commitment to work hard to support Special Districts, provide active, collegial representation focused on key issues, and listen to Special District members.

I would appreciate your vote to be the CSDA representative for the Southern Network, one of 18 members on the CSDA Board. Thank you!

Name of Candidate: Albert Nederhood

District: Municipal Water District of Orange County (MWDOC)

Mailing Address: 18700 Ward Street Fountain Valley CA 92708

Network: Southern Network (see map)

Telephone: 714-261-3964

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: _____

E-mail: anederhood@mwdoc.com

Nominated by (optional): Board of Directors for MWDOC

Return this form, a Board resolution/minute action supporting the candidate, and Candidate Information Sheet by mail or email to: CSDA Attn: Amber Phelen 1112 I Street, Suite 200 Sacramento, CA 95814 (877) 924-2732 amberp@csda.net
DEADLINE FOR RECEIVING NOMINATIONS: Northern, Sierra, Coastal and Southern Networks: April 6, 2023 at 5:00 p.m.
Bay Area and Central Networks: April 17, 2023 at 5:00 p.m.



Al Nederhood

MWDOC Board

Elect to CSDA Board

Southern Network

Seat C

Professional & Personal History

6 Years as Elected Official for Special Districts, Yorba Linda Water District (YLWD) & Municipal Water District of Orange County (MWDOC)

LAFCO dues revision through Independent Special Districts of Orange County. First revision after 20 years saving small districts thousands of dollars annually.

Heli-Hydrant sponsor, supporter creating nations first system (helicopter enabled fire suppression in wild-fire zones)

President of a Non-Profit

30 years of Senior Management Leadership positions with nationally known firms

President of an Educational Institution with \$100 million in revenue, 500 staff and 5000 students.

BA, Long Beach State
MA, Central Michigan University

Retired, Married for 50+ years, 4 kids and 12 grandkids

Why should you vote for Al Nederhood?

Here's a sample of my history of measurable change created by active questioning and positive decision making based on the facts.

Seven years ago, I identified, initiated, and transformed an outdated LAFCO dues system on behalf of special districts in Orange County. The dues structure was developed in 2002 by ISDOC to fulfill their legal responsibility, but over time, it resulted in small districts subsidizing the large districts.

After two years of working with my fellow Special Districts, the new dues structure was unanimously approved and implemented. This effort created a balanced and proportionate LAFCO dues structure for Special Districts throughout the county, saving smaller districts with smaller operating budgets thousands of dollars each year.

As a Board Member for Yorba Linda Water District we investigated and implemented the nation's first Heli-hydrant to modernize fighting wild fires. YLWD now has two heli-hydrants with a third in development with Metropolitan Water District.

I would appreciate your Board voting for me, Al Nederhood.

If you want to contact me:

Al Nederhood
MWDOC, Director Division One
anederhood@mwdoc.com

C. 714-261-3964

RESOLUTION NO. 2135

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
NOMINATION OF AL NEDERHOOD
TO THE CSDA BOARD OF DIRECTORS
SOUTHERN NETWORK, SEAT C

WHEREAS, the California Special Districts Association (CSDA) is holding an election for its Board of Directors for the Southern Network, Seat C for the 2024-26 term; and

WHEREAS, the Municipal Water District of Orange County (MWDOC) is a voting member of CSDA and a voting member for the Southern Network, Seat C; and

WHEREAS, Director Al Nederhood has expressed interest in serving on the CSDA Board of Directors;

WHEREAS, Director Nederhood and MWDOC are aware of the commitment, expectations, and expenses associated with this position; and

WHEREAS, the Board of Directors of the Municipal Water District of Orange County believes that Al Nederhood would be an effective member of the CSDA Board.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Municipal Water District of Orange County does hereby nominate Director Al Nederhood to represent the Southern Network, Seat C, on the CSDA Board of Directors; and

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a Resolution to CSDA, forthwith.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for the Municipal Water District of Orange County on this 15th day of March 2023.

AYES: Directors Nederhood, Dick, McVicker, Seckel, Thomas & Yoo Schneider
NOES: None
ABSTAIN: None
ABSENT: Director Crane

ATTEST:



*Maribeth Goldsby, District Secretary
Municipal Water District of Orange County*

Candidate Statement

**Arlene Schafer
Costa Mesa Sanitary District
Southern Network, Seat C**

It has been an honor serving you on CSDA's Board of Directors for the past nineteen years. I have had the privilege of establishing long lasting relationships with local officials that forged an organization to become one of the leading advocacy groups in California on statewide and national issues. I am proud of my past and current board members for the accomplishments we achieved to enhance special district's visibility in the capital, as well as broadening educational opportunities to help you govern effectively and openly. There is much more important work to be done, so I humbly ask for your trust and support in re-electing me to Seat C of the Southern Network.

I believe we are approaching a year that could have an everlasting effect on the way we provide services. It is very likely the November 2024 Statewide Ballot will have Initiative 21-0042A1, which is now Initiative 1935. If approved by the voters, this initiative will significantly restrict how we fund critical services like fire, parks, libraries, sewers, water, etc. Initiative 1935 will jeopardize the ability of special districts to deliver essential services, which is why as your CSDA representative I am committed to helping defeat this deceptive and dangerous measure.

In addition to my advocacy efforts, I believe CSDA provides some of the best training and professional development programs for local government officials. I will continue serving on the Professional Development Committee to work with CSDA staff and others on making sure you continue receiving top quality workshops, seminars, and conferences. I hope I earned your trust by voting for me by **July 14, 2023**.



2023 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Arlene Schafer

District/Company: Costa Mesa Sanitary District

Title: Board of Directors – Vice President

Elected/Appointed/Staff: Elected

Length of Service with District: 25 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I served on CSDA Board of Directors and several committees including chair of the membership and professional development committees and served on the legislative and fiscal, and I served on the Alliance Executive Council. I have completed the Special District Leadership Academy, Good Governance Foundation workshop and I attend the annual conference and Legislative Days.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I have been associated with the Solid Waste Association of North America (SWANA) of Southern California, and the Independent Special Districts of Orange County (ISDOC) and

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

I am a current member of the Board of Directors for CSDA Finance Corporation, and I am the former Vice President of ISDOC and the former commissioner of the Orange County Local Formation Commission (LAFCO). I am also the former Mayor of the City of Costa Mesa.

4. List civic organization involvement:

Harbor Mesa Lions Club, Costa Mesa Chamber of Commerce, Ambassador for the City Costa Mesa during special events.

****Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**



2023 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information MUST accompany your nomination form and Resolution/minute order:

Name: John Skerbelis

District/Company: Rubidoux Community Services DIST

Title: Vice President

Elected/Appointed/Staff: Elected

Length of Service with District: 12 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

None

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

None

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

Past member of Riverside County Solid Waste Advisory Committee 7 Years

4. List civic organization involvement:

Riverside County Dept of Environmental Health Community Clean ups and Illegal Dumping

Small text at the bottom of the page, likely a disclaimer or contact information.



San Bernardino Valley
Water Conservation District
Helping Nature Store Our Water

Engineering Update

as of July 5, 2023

Mentone Shop

- Architectural drawings, building manufacturer drawings/calculations, and structural foundation plan are complete, deposit has been paid for the building.
- Coordination with City of Redlands for installation of hydrant in on-going. City will be installing a waterline in Flume Street in August. Staff are working with the City contractor to install hydrant as part of waterline installation.
- Research of connection costs to sewer versus installing a septic tank completed. Coordination with County Building and Safety is ongoing.

Mill Creek Diversion and Debris Management Project

- All construction required permits, including renewed 1600 permit, have been received for the project.
- Bid Opening was held on June 29, 2023; 6 bids were received.
- Negotiations for the construction materials testing and inspection services are in process.
- Construction survey contract has been issued.

Enhanced Recharge Phase 1B

- Clearing and grubbing of the B basins in process.
- Earthwork for main canal drop structures has started.
- Forming miscellaneous walls for the Basin 13 to D-Dike structure is complete. Portions of the walls are being poured on site as pre-cast pieces and then craned into position.
- Ongoing coordinating with Valley Regional of the design of overflow structure from Basin 13 to D Dike. Structure alignment has been selected.
- Coordination with Valley Regional for adjustments to the overflow structures and main canal drop structures in process.

PERC (Active Recharge Transfer) Projects

Waterman, Twin Creek, and Lynwood Basins

- The 2D hydraulic model for Waterman diversion channel has been reviewed by Staff and submitted to Flood Control.
- 1D Hydraulic model for Waterman, Twin and Lynwood has been submitted to Staff for review.
- Basin routing and sediment transport models are being developed.
- Draft Geotechnical Report (infiltration only) was reviewed by staff and comments provided to Tetra Tech. Report will be finalized as part of the basin routing process.



**San Bernardino Valley
Water Conservation District**
Helping Nature Store Our Water

- Geoscience has set up the focused groundwater model and is waiting for the HEC-RAS models to be completed.

Plunge and Oak Creeks

- Final hydrology study and average annual storm event report received, and District has submitted to Flood Control for review and approval.
- The existing condition 1D Hydraulic models have been submitted to SBCFCD for approval.
- The proposed condition 2D hydraulic model and sediment transport analysis are being developed.

Mill, Bledsoe, and Cook Creeks

- Proposed condition diversion hydraulic model has been adjusted based on field verification performed in May.
- Additional diversion locations from Mill Creek are being studied.
- 1600 Operation of Law permit for geotechnical testing field work was issued on May 5, work will begin once basins are dry.
- Notice to proceed for a hydrology study for Bledsoe Creek has been issued.



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

PERC Status Report No.14

To: Partnership Agreement Policy Committee

From: Erwin Fogerson, PERC Engineer

Date: June 6, 2023

Subject: PERC Project Status Report

BACKGROUND

The boards of the San Bernardino Valley Water Conservation District (Conservation District) and San Bernardino Valley Municipal Water District (Valley District) have agreed to draw from the best of both districts to promote a brighter future for groundwater storage and protection of threatened species in the region. This collaborative effort has been realized through the execution of the Partnership Agreement for Active Recharge Project Development under the Upper Santa Ana River Habitat Conservation Plan (Agreement).

The Agreement includes the requirement for the formation of a Partnership Agreement Policy Committee to review and advise the Conservation District staff on a number of items covered in the Agreement. The committee is to meet quarterly throughout the duration of the development of Active Recharge Transfer Projects. Major items of work in the partnership include:

- The Conservation District will provide up to 295 acres of conservation easements to the San Bernardino Valley Conservation Trust, to help offset the environmental impacts of active recharge projects being undertaken to enhance groundwater recharge and storage.
- Valley District will provide funding to the Conservation District, for building new recharge projects, for each acre of conservation easement the Conservation District transfers to the trust.
- Valley District will fund a permanent endowment with the Conservation Trust to support the management of habitat mitigation land.
- Valley District will transfer to the Conservation District the implementation, management, and eventual ownership of the following tentative list of proposed Active Recharge Projects:
 1. Mill Creek Diversion (expansion, construction, and operations)
 2. Plunge Creek Basins 1 (construction and operations)
 3. Plunge Creek Basins 2 (construction and operations)
 4. City Creek Basins (construction and operations)
 5. Waterman Percolation Basins (reconstruction and maintenance)
 6. East Twin Creek Basin (repairs and maintenance)

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
David E. Ralev

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

- The Conservation District will develop plans, specifications, estimates and bid packages (Construction Package) on planned projects and submit to the Committee for review and concurrence.
- Valley District will draft, and process all required permits and any items of work required under NEPA or CEQA including Water Rights.

This status report is a summary of work completed to date on these major items and provides a look ahead to the planned work in the upcoming quarter.

PROGRAM UPDATE

Conservation Easement (CE) Payment Obligation

The agreement requires payment of 50% of the funds for the CE at completion of the Due Diligence which was paid on June 20, 2019. The remainder was paid on January 13, 2022 for a total paid to date of \$36,875,000.

Conservation Easement Usage Status (295 Acres initially set aside)

Covered Activity (project)	Implementing Agency	Easement Area required (ac)	Easement recordation date	Remaining Available Acreage
				295

Program Management

The following items of work have been performed:

1. A Program Management Plan to guide the long-term implementation of the program has been developed and is being adhered to.
2. A planning level Memo of Understanding (MOU) has been developed and adopted by SBVWCD and SBCFCD. Meetings have been held as necessary to keep the coordination and approval processes moving forward. A resolution was passed by the County Board of Supervisors to support the coordination.
3. Request for Qualifications (RFQ) process has been completed to develop a list of qualified consultants to use for proposal requests. The process resulted in a summary matrix of the fourteen consulting firms based on category and type of work for which they are qualified.
4. Tetra Tech was awarded the contract for the Waterman, Lynwood Basins and Twin Creek Spreading Grounds, total contract amount of \$1,530,615 Feasibility Study Support Contract. Contract expenditure is approximately \$718979. Hydrology modeling has been accepted. Initial existing condition 1D and 2D hydraulic models t models have been completed. Geotechnical testing is completed, and the preliminary report received.

5. Q3 was awarded the contract for the Mill, Bledsoe, and Cook Creek Feasibility Study Support Services, total contract amount of \$2,190,644. The City Creek diversion improvements were removed from the scope and were replaced by optional tasks for studies of Bledsoe and Cook Creeks. The contract includes preliminary engineering for all three sites. Contract expenditure is approximately \$410,567. The hydrology modeling and existing condition hydraulic model through the basins has been completed. The proposed condition hydraulic modeling for the diversion structures and basins is being refined.
6. CASC Engineering was awarded the contract for the Plunge Creek and Oak Creek Feasibility Study Support Services, total contract amount of \$786,880 and the Notice to Proceed has been issued. Contract expenditure is approximately \$310,202. Existing hydrology and floodplain modeling is complete and has been submitted to SBCFCD. Geotechnical testing has been completed.
7. A tour of all the ARTP facilities was completed on March 3, 2022. Attendees included ARTP Policy Committee members and staff from SBVWCD and SBVMWD.

Active Recharge Transfer Projects (as listed in the Agreement) PS&E Status

Project Name	Project Priority	Current Plan Phase	CEQA Status	Required Agreements / Permits w/ status	Construction Target date	Recent Activity
Mill Creek Diversion	3	Concept	Not started	ACOE – Not started SBCFCD – Not Started	Not determined	Refined existing and proposed condition hydraulic models for basins and diversion/soft plugs. Continued work on hydrology and sediment transport studies. Completed Geotechnical testing permitting.
Plunge Creek Basin 1 &2 (now Plunge Creek Quarry Basins)	1	Preliminary Design	Not started	RRM – Initiated Concept Level Discussion SBCFCD – Initiated through MOU	Not determined	Continued work on 1D and 2D hydraulic models. Received report on average annual storm event. Submit hydrology / floodplain study to SBCFCD for approval.
City Creek (now Bledsoe and Cook Creek)	2	Concept	Not started	SBCFCD – Not Started	Not determined	Completed Seismic refraction survey in Cook Creek.
Waterman Spreading Grounds	2	Preliminary Design	Not started	SBCFCD - Initiated through MOU	Not determined	Continued work on 1D and 2D hydraulic models. Received report on average annual storm event.
Twin Creek	1	Preliminary Design	Not started	SBCFCD – Initiated through MOU	Not determined	See Waterman Spreading Grounds

Additional Active Recharge Transfer Projects (not listed in the ARTP Agreement) Status

Oak Creek Basin	1	Preliminary Design	Not started	SBVMWD–Initiated SBCFCD – Initiated through MOU	Not determined	See Plunge Creek Basin 1 & 2
Lynwood Basins	1	Preliminary Design	Not started	SBCFCD – Initiated through MOU	Not determined	See Waterman Spreading Grounds

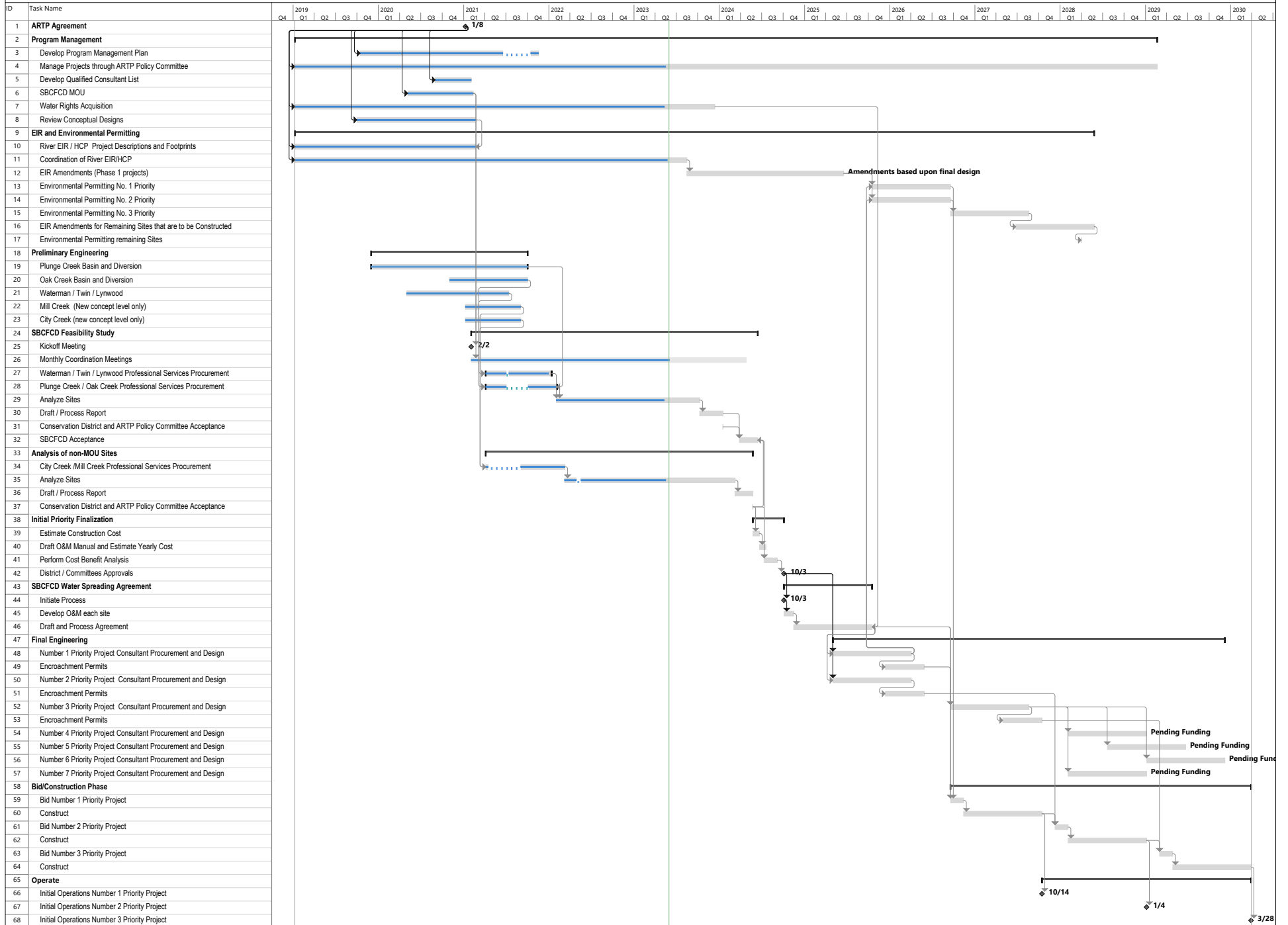
“Next Steps” - Planned Work upcoming Quarter

Project	Planned Activity
Mill Creek Diversion	Continue work on hydraulic model for the proposed condition for basins and diversion (soft plugs) in Mill Creek. Complete geotechnical exploration field work. Continue work on sediment transport model. Continue work on groundwater model. Issue addendum and begin work on detailed 2D model of existing diversion structure.
Plunge Creek Quarry Basins	Respond to SBCFCD comments on the existing condition hydraulic models. Continue work on and modeling of existing storm drains and channels. Begin sediment transport model development. Submit preliminary concept of diversion to City of Highland and analyze potential impacts to future bridge project.
Bledsoe and Cook Creek	Determine viability of Cook Creek site. Continue preliminary design of new basin location on Bledsoe Creek. Start average annual hydrology study for Bledsoe Creek site.
Waterman Spreading Grounds	Continue work on hydrology modeling of the average annual storm event for the cost benefit analysis and groundwater model. Continue hydraulics and sediment transport studies.
Twin Creek	See Waterman Spreading Grounds.
Oak Creek Diversion	Complete initial hydrology and hydraulics studies. Complete hydrology modeling of the average annual See Plunge Creek Quarry Basins
Lynwood Basins	See Waterman Spreading Grounds.

EXHIBITS

1. Preliminary Program Schedule

ARTP Program Schedule revised June 2023



Wash Plan Trails Status Report

July 2023

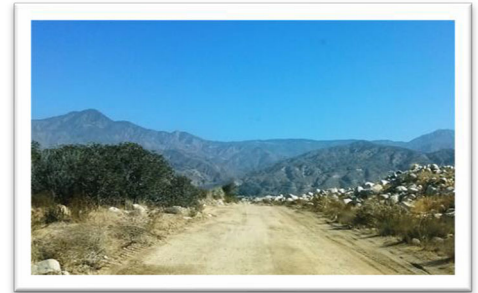


**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

Project Management Approach / Work Plan

- a. Develop/obtain support from Cities on trails MOU
- b. Complete trail permitting, including 1) Wash Plan HCP Certificate of Inclusion and 2) State/waters permits
- c. Record public access easements, if necessary
- d. Install signs/fencing
- e. Open trail(s) that do not require ancillary facilities such as trailheads or parking lots
- f. Obtain grant funding for ancillary trail facilities such as trailheads and parking lots
- g. Bid construction of/build ancillary trail facilities



Current Status

District staff continues to coordinate with the City of Redlands to adopt the Trail MOU. Prior to approval of the MOU, Redlands has requested a five-party agreement between the cities, mining companies, and the District to clarify implementation items such as payment. District Counsel provided a draft agreement for review by the parties in April 2022. On June 27, 2023, Redlands indicated that the project has been assigned to a new staff person and that comments were expected shortly.

The City of Highland adopted the Trail MOU in January 2022, and has scheduled approval of the five-party agreement following review by CEMEX and Robertson's.

CEMEX and Robertson's are reviewing the five-party agreement and are coordinating with the District team to discuss details further.

In an effort to expedite opening of the trails, District staff reviewed the location of trail segments based on City jurisdiction to evaluate options for a segment located entirely on District lands within the City of Highland for review and discussion with the Trails Committee at their February 9 meeting. No complete loop is entirely within the jurisdiction of Highland.

In addition, during discussion with the Trails Committee, it was determined that several planned trail routes are within or adjacent to the recently-begun construction area for the Enhanced Recharge Project. Safety and associated access restrictions will need to be addressed prior to trail openings before construction is complete.

Trails were included in the Wash Plan state and waters permitting applications which were submitted to the regulatory agencies in 2021. Trail opening will be dependent upon receipt of these permits, as well as final approval from USFWS, which included conditional approval in the Wash Plan HCP.



Environmental Update

as of June 30, 2023

Wash Plan Implementation – Monitoring Activities

- SBKR Monitoring Program
 - On June 27, staff received notification the Carlsbad-Palm Springs U.S. Fish and Wildlife Office is going to provide the USGS with \$133,897 through an Interagency Agreement to support development of a range-wide Percent Area Occupied (PAO) monitoring protocol for SBKR in the new federal fiscal year beginning October 1. The funded work was first conceptualized and described in the Section 6 grant submitted by the SBV Conservation Trust to CDFW in January 2023.
- Slender-horned Spineflower (SHSF) Monitoring Program
 - Seeds were collected from monitored patches of SHSF by Dudek and District Staff on June 22. It is estimated that thousands of seeds were collected from the populations of SHSF located in the Wash. Seeds will be used to support new seed bulking activities in the fall and potentially direct seed out-planting locations.

Wash Plan Implementation – Management Activities

- Slender-horned Spineflower (SHSF) Restoration Program
 - Seeds collected from known SHSF populations in spring 2022 were first sown at CalBG on December 2 with successful germination on December 13. Plants were transferred to the field for planting in late April. As of late June, approximately 400 plants were growing at the bulking site, receiving supplemental water approximately two days a week. Watering events are tentatively scheduled to continue through July 11.
 - On June 22, District staff estimated all the plants at the bulking site had developed floral clusters and about 65 to 70% were flowering. Following successful germination, produced seeds will be collected and made available for use in out-planting trials in the fall.
 - On June 9 and 26, researchers from the University of Redlands made repeat visits to the SHSF patches bulking site east of CEMEX operations to observe and capture pollinators of the SHSF. High resolution images of the first documented pollinators were shared with District staff on June 21. Plans to continue to monitor activities at the bulking site throughout July were made between District staff and researchers to identify the similarities and differences between the pollinators visiting the natural colonies of SHSF and the plants at the bulking site flowering about a month and half later.



**San Bernardino Valley
Water Conservation District**
Helping Nature Store Our Water

Wash Plan Implementation – Organizational Structure, Planning, and Reporting

- The regularly scheduled monthly coordination meeting with the USFWS was held on June 20.
- District staff participated in weekly environmental team meetings hosted by Valley District in support of the Enhanced Recharge Project Phase 1B on June 14, 21, and 28. Discussions centered on the implementation of the environmental monitoring and mitigation measures required by CDFW and USFWS consistent with the 2081 ITP and Wash Plan, respectively.
- District staff met with Valley District on June 12 to coordinate activities tied to Wash Plan Implementation and advancement of the work supporting the River HCP.
- A fully executed Certificate of Inclusion Agreement for Enhanced Recharge Project Phase 1B was received from Valley District on June 7.

Wash Plan Programmatic Permits

- USACE 404 Programmatic Individual Agreement –Beginning in January 2023 and extending through June, District staff and AECOM have continued to meet with USACE weekly in support of completion of the EA and eventual issuance of the standard individual permit. Pending receipt of any new information following review of submitted materials by the Corp’s cultural resources officer, the 404 permit is anticipated to be finalized in either September or October.
- On June 27, CDFW communicated to the District’s General Manager that the Department anticipates being able to share details regarding the draft 2081 Incidental Take Permit (ITP) covering Wash Plan Covered Activities by the end of July.

Mill Creek Programmatic Permits

- The draft Safe Harbor Agreement (SHA) to result in an Enhancement of Survival Permit covering any future take of endangered and threatened species associated with ongoing operations and maintenance activities and future capital improvement projects at Mill Creek is expected to be submitted to the USFWS for review in early July.

General Manager's Report

From June 14 to July 12, 2023

Betsy Miller



**San Bernardino Valley
Water Conservation District**

Helping Nature Store Our Water

The following report covers the efforts and activities during the reporting period.

- 1. Water Conservation – Plan Goal 1** – Santa Ana River, Mill, and Plunge Creeks received rainfall throughout the winter with continuing flows from snowmelt into June. Mill Creek's total recharge for the Water Year is currently 17,529 AF (including 963 AF of imported water). The Santa Ana River recharge is currently 40,367 AF (including 234 AF of imported water). Plunge Creek recharge is 2,605 AF. The total recharge is 60,501 AF for the Water Year beginning October 2022.
- 2. Facility Maintenance and Cleanout – Plan Goal 1** – Water recharge operations are underway with the field operations team bringing all of their expertise into play to ensure recharge of the maximum amount of water. At the Santa Ana Recharge Facility, flows are being restricted to basins 13 and 14; basins 15, 16, 17 and the main canal are offline, and D is receiving approximately half of regular flows in order to ensure a dry construction area for the Enhanced Recharge Project. The Conservation District and Valley District are working closely to increase the water that can be routed to D through historic canal features that are located south of the construction area. Removal of excess sand from Mill Creek basins continues as recharge deposits additional aggregate. Following this high rainfall year, the field operations, engineering and natural resource teams are coordinating closely to review, prioritize and schedule facilities maintenance needs.
- 3. Aggregate Management – Plan Goal 1** – Upland Rock continues screening and selling sand and rock from District basin cleaning efforts in support of land management efforts.
- 4. Personnel/Administration/Staff** – Laura Torres will reach her one-year anniversary as a District employee on July 21. Katelyn Scholte will reach the ten-year anniversary of beginning her initial internship with the District on July 29.
- 5. Finance/Budget/Audit** – Please refer to packet materials provided for the Budget Workshop.
- 6. Mill Creek Diversion Engineering – Plan Goals 1/4** – Please refer to the Engineering Update.
- 7. Plunge Creek Conservation Project – Plan Goals 1/4** – Total project recharge for this water year is currently 2,299.3 AF.
- 8. Enhanced Recharge Project – Plan Goal 1** – Clearing and grubbing for the Phase 1B basins is in progress, along with earthwork for the main canal.

9. **Active Recharge Transfer Project Partnership** – *Plan Goals 1, 2, and 4* – Please refer to the Engineering Update.
10. **Edison Divestiture** – *Plan Goals 1/4* – None.
11. **Groundwater Council** – *Plan Goal 1* – None.
12. **Shop Facilities for Field Staff** – *Plan Goals 1* – Please refer to the Engineering Update.
13. **Wildland Trails** – *Plan Goal 3* – Please refer to the Trails Status Update.
14. **Wash Plan** – *Plan Goal 4* – Please refer to the Environmental Update.
15. **Santa Ana River Wash Plan Land Exchange Act Implementation** – *Plan Goal 4* – On June 26, BLM indicated that they do not expect any changes to the schedule provided on May 30, which included closing as early as July.
16. **Conservation Trust** – *Plan Goal 4* – None.
17. **Property/Redlands Plaza** – Staff continues to manage Redlands Plaza tenants and maintenance issues. Renovations are underway for Suite K, which has been leased. District staff have been working closely with ACWA JPIA, plumbers and restoration contractors to address a leak reported by the tenant in Suite I.
18. **Mining** – Mining efforts by CEMEX contractors continue at the Plant Site quarry.
19. **Public Outreach and Legislative** – *Plan Goal 5* – None.
20. **Current Board Action Implementation** – Significant staff resources are allocated to the Mill Creek Diversion and Debris Management Improvement Project, coordination with Valley District on Enhanced Recharge construction, update of the 2017 Strategic Plan, PERC, various permitting applications, and Redlands Plaza management.
21. **Future Board Activities** – Expected short-term items for consideration or note:
 - Strategic Plan Update workshops
 - Contracts for tasks approved in the FY24 budget
22. **District Successes**
 - Bid opening and contractor selection for construction contract for the Mill Creek Diversion Improvement Project
 - Completion of the Wash Plan Natural Resource Management Plan
 - Above normal recharge numbers due to the high precipitation/snowmelt and the excellent work and dedication of the field operations team

San Bernardino Valley Water Conservation District

Monthly Recharge Report

From: 6/1/2023
To: 6/30/2023



	June				
	Avg Daily Recharge	Monthly Recharge	Recharge WYTD	10yr Avg Recharge*	BTAC Max**
Santa Ana River	167.7	5,032	41,117	10,598	213,375
Mill Creek	111.7	3,352	14,863	3,079	128,025
Plunge Creek	5.1	153.3	2,599	488	#N/A
State Water Project	0.0	-	1,197	6,638	#N/A
In River Channel Recharge***	54.1	1,624	8,074	#N/A	#N/A
Total	339	10162	67,850	20,803	341,400

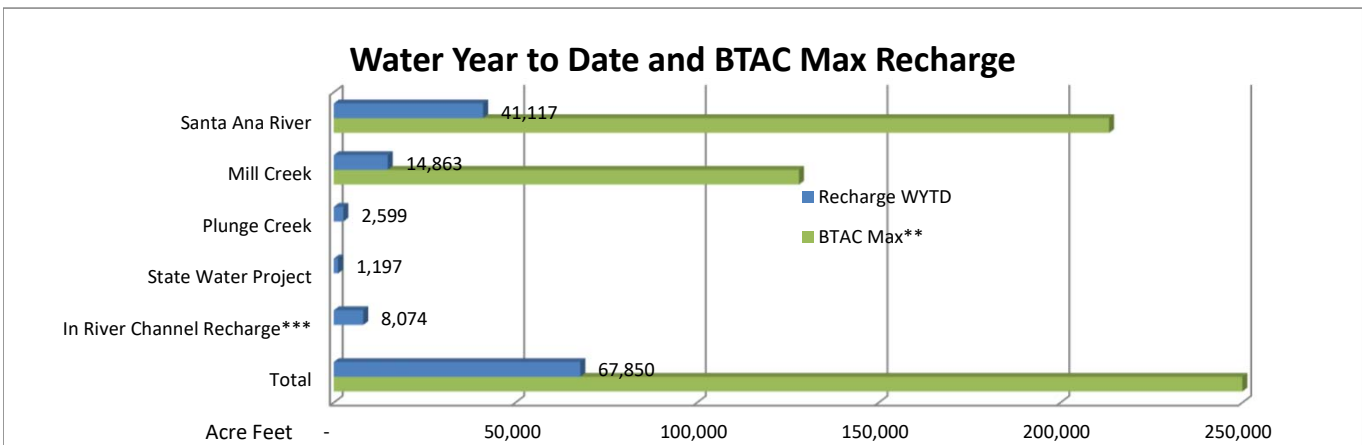
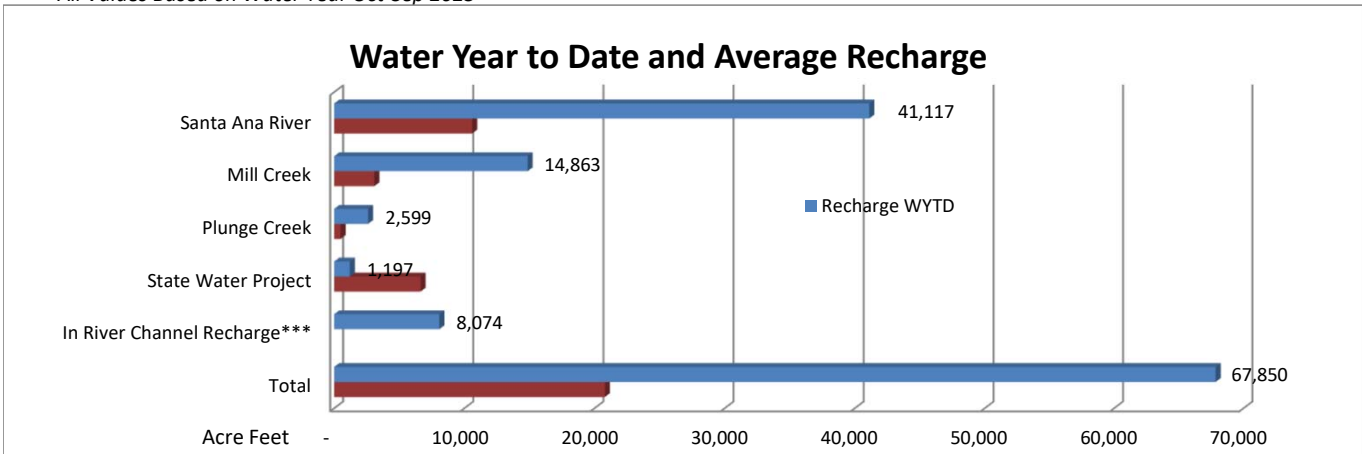
Values in Acre Feet

* Plunge Creek only has 2 years of available data

**BTAC Revised Max in December 2022

***Monitoring began in Mid-April 2011

**** All Values Based on Water Year Oct-Sep 2023



2023 Board Calendar - San Bernardino Valley Water Conservation District

JANUARY						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Jan. 11 Board Meeting
Jan. 24 Operations Committee Mtg.
Jan. 25 2nd Qtr. Finance & Admin Mtg.

JULY						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Jul. 12 Board Meeting
Jul. 25 Operations Committee Mtg.
Jul. 26 4th Qtr. Finance & Admin Mtg.

FEBRUARY						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

Feb. 8 Board Meeting
Feb. 9 Ad Hoc Trails Committee
Feb. 13 Outreach Committee

AUGUST						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Aug. 9 Board Meeting

MARCH						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Mar. 8 Board Meeting
Engineering Investigation Report Presentation
Mar. 22 3rd Qtr. Finance & Admin Mtg.
Mar. 28 Operations Committee Mtg.

SEPTEMBER						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Sept. 13 Board Meeting

APRIL						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

Apr. 12 Board Meeting
Public Meeting/Groundwater Charge
Apr. 26 Board Meeting
Public Hearing/Groundwater Charge

OCTOBER						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Oct. 10 Operations Committee Mtg.
Oct. 11 Board Meeting

MAY						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

May 17 Board Meeting
May 17 Budget Workshop
(Immediately following Board meeting)

NOVEMBER						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Nov. 8 Board Meeting
Nov. 15 1st Qtr. Finance & Admin Mtg.

JUNE						
S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Jun. 14 Board Meeting

DECEMBER						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Dec. 13 Board Meeting
(@ 9:30 a.m.)
Annual Luncheon