

**NOTICE OF REGULAR MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
ENGINEERING COMMITTEE**

**September 14, 2023  
8:30 a.m.**

NOTICE IS HEREBY GIVEN that a Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee was called to be held on **September 14, 2023, at 8:30 a.m.** SOCWA staff will be present and conducting the meeting at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

THE SOCWA MEETING ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5452 AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST SUCH ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE-CALL MEETING AND NOT A WEB-CAST MEETING, SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT [WWW.SOCWA.COM](http://WWW.SOCWA.COM). ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY DANITA HIRSH AT [DHIRSH@SOCWA.COM](mailto:DHIRSH@SOCWA.COM) WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UN-MUTE YOUR LINE AT THE APPROPRIATE TIME.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY ENGINEERING COMMITTEE IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE ENGINEERING COMMITTEE ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5452. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE ENGINEERING COMMITTEE LESS THAN SEVENTY-TWO (72) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE ENGINEERING COMMITTEE AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS. FOR AUDIO OF MEETING USE  
THE CALL IN PHONE NUMBERS BELOW AND FOR VIDEO USE THE ZOOM LINK BELOW.**

Join Zoom Meeting  
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Meeting ID: 830 0224 5189  
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Find your local number: <https://socwa.zoom.us/j/83002245189>

AGENDA

1. Call Meeting to Order
2. Public Comments

*THOSE WISHING TO ADDRESS THE ENGINEERING COMMITTEE ON ANY ITEM LISTED ON THE AGENDA WILL BE REQUESTED TO IDENTIFY AT THE OPENING OF THE MEETING AND PRIOR TO THE CLOSE OF THE MEETING. THE AUTHORITY REQUESTS THAT YOU STATE YOUR NAME WHEN MAKING THE REQUEST IN ORDER THAT YOUR NAME MAY BE CALLED TO SPEAK ON THE ITEM OF INTEREST. THE CHAIR OF THE MEETING WILL RECOGNIZE SPEAKERS FOR COMMENT AND GENERAL MEETING DECORUM SHOULD BE OBSERVED IN ORDER THAT SPEAKERS ARE NOT TALKING OVER EACH OTHER DURING THE CALL.*

PAGE NO.

3. Approval of Minutes..... 1
  - Engineering Committee Minutes of August 10, 2023

**Recommended Action:** Staff requests that the Engineering Committee approve subject Minutes as submitted.

4. Operations Report..... 6

**Recommended Action:** Information Item.

5. Use Audit Flow and Solids Methodology – Annual Update FY 2022-23 ..... 7

**Recommended Action:** Staff recommends the Engineering Committee recommends that the Board of Directors approve the Use Audit calculated results for the close of the Use Audit for disbursement and collection of additional funds in FY 2022-23.

6. Package B Project Closeout Update [Project Committee 2]..... 11

**Recommended Action:** Information Item.

7. Capital Improvement Construction Projects Progress and Change Orders Report (September) [Project Committees 2, 15, 17, & 24] ..... 12

**Recommended Action:** Staff recommends that the Engineering Committee recommend to the PC 15 Board of Directors to approve Change Order 1 for \$4,345 to DC Hubbs Construction for the CTP AWMA Guardrail Replacement project.

PAGE NO.

8. Contract Amendment for Design of Effluent Transmission Main Air Valve Replacement Project [Project Committee 21].....27

**Recommended Action:** Staff recommends that the Engineering Committee recommend that the PC 21 Board of Directors approve the contract amendment to Tetra Tech for a total of \$55,200 for additional design services for the ETM Air Valve Replacement Project.

9. Contract Award for Engineering Services During Construction for Coastal Treatment Plant (CTP) Aeration Diffuser Replacement Project [Project Committee 15] .....33

**Recommended Action:** Staff recommends that the Engineering Committee recommend to the Board of Directors to approve the contract to Hazen and Sawyer for a total of \$68,580 for Engineering Services During Construction for the CTP Aeration Diffuser Replacement Project.

10. J.B. Latham Treatment Plant (JBL) Plant 1 Standby Generator Pre-Purchase Update [Project Committee 2].....38

**Recommended Action:** Information Item.

Adjournment

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Engineering Committee at least 72 hours prior to the scheduled time of the Regular Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 72 hours prior to the time of the above-referenced Engineering Committee meeting at the usual agenda posting location of the South Orange County Wastewater Authority and at [www.socwa.com](http://www.socwa.com).

Dated this 7th day of September 2023.



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Danita Hirsh, Assistant Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

# Agenda Item

3

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Roni Grant, Associate Engineer

**SUBJECT:** Approval of Minutes

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## Overview

Minutes from the following meetings are included for review and approval by the Engineering Committee:

- August 10, 2023

**Recommended Action:** Staff recommends that the Engineering Committee approve Minutes as submitted.

**MINUTES OF REGULAR MEETING  
OF THE  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

**Engineering Committee**

**August 10, 2023**

**DRAFT**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee Meeting was held on August 10, 2023, at 8:30 a.m. in-person and via teleconferencing from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Engineering Committee were present:

MARK McAVOY	City of Laguna Beach
HANNAH FORD	El Toro Water District
ROD WOODS	Moulton Niguel Water District
DON BUNTS	Santa Margarita Water District
MARC SERNA	South Coast Water District

Absent:

MIKE DUNBAR	Emerald Bay Service District
DAVE REBENS DORF	City of San Clemente

Staff Present:

DAVID BARANOWSKI	Director of Engineering
JIM BURROR	Acting General Manager/Director of Operations
RONI GRANT	Associate Engineer
MARY CAREY	Finance Controller
JEANETTE COTINOLA	Procurement / Contracts Manager
KONSTANTIN SHILKOV	Senior Accountant
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

Also Present:

ADRIANA OCHOA	Procopio Law
ROGER BUTOW	Clean Water Now (CWN)
SHERRY WANNINGER	Moulton Niguel Water District
SAUNDRA JACOBS	Santa Margarita Water District
TARYN KJOLSING	South Coast Water District
DAVE LARSEN	Moulton Niguel Water District

1. Call Meeting to Order

Mr. David Baranowski, Director of Engineering, called the meeting to order at 8:31 a.m.

2. Public Comments

Mr. Roger Butow, from Clean Water Now, made comments regarding his concerns in the Laguna Beach area.

3. Approval of Minutes

- a. Engineering Committee Minutes of April 13, 2023
- b. Engineering Committee Minutes of May 11, 2023
- c. Engineering Committee Minutes of June 8, 2023

ACTION TAKEN

A motion was made by Mr. Bunts and seconded by Mr. McAvoy to approve the Engineering Committee Minutes for April 13, 2023, May 11, 2023, and June 8, 2023, with a correction to the April 13, 2023 Minutes.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 2
Mr. McAvoy	Aye
Ms. Ford	Aye
Mr. Dunbar	Absent
Mr. Woods	Aye
Mr. Bunts	Aye
Mr. Serna	Aye
Mr. Rebensdorf	Absent

4. Operations Report

Mr. Jim Burror, Acting General Manager/Director of Operations, reported staff will be bringing forth several chemical renewing contracts. He noted several contracts coming up for renewal would not have substantial price increases. He also noted a minor disruption in the supply chain market for providing Ferric Chloride but is optimistic the industry is heading in the right direction. An open discussion ensued.

This was an information item; no action was taken.

5. Capital Improvement Construction Projects Progress and Change Order Report (August) [Project Committees 2, 15, 17, & 24]

Mr. Baranowski gave an update on the following projects:

- JBL Package B – the project is near completion as staff continues working with the Construction Management team to close out all outstanding items. An open discussion ensued.
- JBL Admin Building Roofing Replacement – the project is complete noting one change order that the Board approved for replacing damaged wood and fascia and to cover permit fees.
- CTP AWMA Road Guardrail Replacement – the contract is awarded, and staff is working with the contractor to schedule the work. The contractor will install steel posts to replace wood posts at no additional charge. An open discussion ensued.
- ACOO Internal Seal Replacement – staff met with the contractor and is working on determining a schedule to begin work. Staff is anticipating early September for the first shutdown and will continue communicating with the member agencies as information is available. An open discussion ensued.

This was an information item; no action was taken.

6. Coastal Treatment Plant (CTP) Funding Strategy and Implementation Plan Revised Proposal [Project Committee 15]

Mr. Baranowski stated the item had been previously updated based on feedback from the Committee and Board members. He added the cost allocation table to show the breakdown by the member agency. Mr. Baranowski also stated that the cost falls within the Acting General Manager's spending authority, and staff will be moving forward. Mr. Serna requested that staff from the PC 15 members be invited to attend meetings pertaining to financing or that may require their input. SOCWA staff agreed to coordinate with the committee members when such meetings are being scheduled. An open discussion ensued.

This was an information item; no action was taken.

7. Contract Award for As-Needed Project Management Support Services

There was an open discussion and consensus of the Committee to present the contract to the Board of Directors for discussion and approval.

No action was taken.

8. Contract Amendment for Export Sludge Force Main Temporary Impact Area Restoration Monitoring and Maintenance [Project Committee 15]

ACTION TAKEN

A motion was made by Mr. McAvoy and seconded by Mr. Serna to recommend that the PC 15 Board of Directors approve the amendment to Dudek for a total of \$81,400 for Export Sludge Temporary Impact Area Restoration Monitoring and Maintenance.

Motion carried:	Aye 2, Nay 0, Abstained 1, Absent 1
	Mr. McAvoy                      Aye
	Mr. Dunbar                     Absent
	Mr. Woods                     Abstain
	Mr. Serna                      Aye

9. Contract Award for Generator Pre-Purchasing [Project Committee 2]

ACTION TAKEN

A motion was made by Mr. Bunts and seconded by Mr. Serna to recommend that the PC 2 Board of Directors approve the contract to either Quinn or Cummins for a total not to exceed \$592,000 for the JBL MCC M and G Replacement Project.

Motion carried:	Aye 3, Nay 0, Abstained 0, Absent 0
	Mr. Bunts                      Aye
	Mr. Woods                     Aye
	Mr. Serna                      Aye

Adjournment

There being no further business, Mr. Baranowski adjourned the meeting at 9:16 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Regular Meeting of the South Orange County Wastewater Authority Engineering Committee of August 10, 2023, and approved by the Engineering Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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Danita Hirsh, Assistant Board Secretary  
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY



# Agenda Item

4

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Jim Burror, Acting General Manager/Director of Operations

**SUBJECT:** Operations Report

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## Overview

Verbal update on operations and maintenance activities.

**Recommended Action:** Information Item.

# Agenda Item

5

Engineering Committee Meeting

Meeting Date: September 14, 2023

**TO:** Engineering Committee

**FROM:** Amber Baylor, Director of Environmental Compliance

**SUBJECT:** Use Audit Flow and Solids Methodology – Annual Update FY 2022-23

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## Summary

The Use Audit flow allocation methodology has relied on historical practice for the allocation of costs. This agenda item intends to review the methodology per project committee (PC), which is presented to the Engineering Committee members on an annual basis for review, comment, and approval for use in the annual Use Audit for FY 2022-23.

## Results

Captured herein are the methodologies employed and the results by member agencies based on the raw and calculated data, which have been distributed to Engineering Committee members for review and comment. Please note that PC5 and PC24 are attributed to fixed costs.

### PC2

Member agency average flows for the fiscal year (FY) were used in the flow allocation and applied proportionally from the total combined flow from each tributary trunk line. The PC2 use audit uses FY flows and three-year FY average solid loadings to reconcile the budgeted amounts. Solids loadings are calculated by adding the average FY BOD and TSS, dividing by two (2), and then multiplying the result by the flow and the 8.34 pounds conversion factor. In March 2018, PC2 members Moulton Niguel Water District (MNWD) and Santa Margarita Water District (SMWD) came to an agreement on how to allocate solids for budgeting and use audit purposes. The new method captures the influent loading at Plant 3A as it was recognized that this allocation would isolate MNWD's solids contributions to J.B. Latham (JBL) to a single variable. SMWD solids to JBL would then be the balance of solids contributed by the Oso Creek Water Reclamation Plant, 3A, and any other discharges to the Oso Trabuco line to JBL. Summary results for PC2 are included in Table 1. The total sum of the metered flows on the line influent into the JBL facility was 7.71mgd. Calculated values with the 1.4mgd constant from MNWD is 9.11mgd. The percent difference between metered and billing flows was 7.6%.

<b>PC2 - JB Latham Plant</b>					
<b><u>Liquids Summary (mgd)</u></b>					
	<b>2022-2023</b>	<b>2022-2023</b>	<b>2022-2023</b>	<b>2022-2023</b>	<b>Total</b>
<b>Member</b>	<b>Budgeted</b>	<b>Budgeted</b>	<b>Total</b>	<b>Total</b>	<b>Percent</b>
<b>Agency</b>	<b>Flow (mgd)</b>	<b>Percent</b>	<b>Avg. Flow (mgd)</b>	<b>Billing Flow (mgd)</b>	<b>To Date</b>
CSJC	2.21	26.25 %	2.18	2.18	23.93 %
MNWD*	1.40	16.63 %	Constant	1.40	15.37 %
SCWD	1.61	19.12 %	1.70	1.70	18.66 %
SMWD*	3.20	38.00 %	3.83	3.83	42.04 %
	8.42	100.00 %	7.71	9.11	100.00 %
*Please refer to the MNWD & SMWD Agreement from 2018 for flow/solids splitting in the Oso-Trabuco line.					
<b><u>Solids Summary Loading (mgd)</u></b>					
	<b>2022-2023</b>	<b>2022-2023</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Member</b>	<b>Budgeted</b>	<b>Budgeted</b>	<b>Avg. Loadings</b>	<b>Avg. Loadings</b>	<b>Percent</b>
				<b>2022-2023</b>	
<b>Agency</b>	<b>Flow</b>	<b>Percent</b>	<b>FY 2022-2023</b>	<b>Billing Loading</b>	<b>To Date</b>
CSJC	5884.00	22.54 %	6441.60	6441.60	18.91 %
MNWD*	6169.00	23.63 %	5256.65	5256.65	15.43 %
SCWD	5584.00	21.39 %	6226.69	6226.69	18.28 %
SMWD*	8473.00	32.45 %	16141.35	16141.35	47.38 %
	26110.00	100.00 %	34066.30	34066.30	100.00 %

Table 1: PC2 Liquids and Solids Summary Table

PC12

The PC12 method of production is detailed by member agency in the following narrative. San Juan Capistrano is the acre-foot sum of the Rosenbaum well, the Mission Street Well, and the total reclaimed water from the SMWD/CSJC intertie. For MNWD, it is the amount of reclaimed water produced from the Regional Treatment Plant (RTP) and the 3A Treatment Plant (split with SMWD). South Coast Water District (SCWD) is the total reclaimed water produced from the Coastal Treatment Plant (CTP). The Santa Margarita Water District (SMWD) is the combined sum of reclaimed water produced from the 3A Treatment Plant (split with MNWD), the Oso Creek Water Reclamation Plant (OCWRP), the Chiquita Water Reclamation Plant (CWRP), and the Nichols Water Reclamation Plant (NWRP). The Trabuco Canyon Water District (TCWD) is reclaimed water produced from the Robinson Ranch Water Reclamation Plant (RRWRP). Summary results for PC2 are included in Table 2.

<b>PC 12 Recycled Water</b>		
<b>Master Recycled Water Permit</b>		
<b>2022-2023</b>		
	<b>Region 9 Recyled Production</b>	<b>% RW Produced</b>
<b>Member Agency</b>	<b>FY 2022-2023</b>	<b>FY 2022-2023</b>
	<b>acft</b>	<b>%</b>
CSJC	646.83	4.77
MNWD	5514.52	40.66
SCWD	682.38	5.03
SMWD	6221.14	45.88
TCWD	496.15	3.66
<b>Total</b>	<b>13561.02</b>	<b>100.00</b>

Table 2: PC12 Liquids and Solids Summary Table

PC15

Due to the lack of solids handling capacity at the Coastal Treatment Plant (CTP), allocation methodology is based on flows to the treatment plant. In addition, no current flow meters are installed to account for any flow sent to CTP from MNWD, so no flow is being accounted for in this PC flow allocation methodology. The City of Laguna Beach (CLB) is the average annual flow into CTP (metered). The Emerald Bay Services District (EBS) is the average annual flow into CTP (calculated from monthly meter read from the lift station divided by the days in the month). The South Coast Water District (SCWD) is the average annual flow into CTP (metered). The meter calibration is performed annually in June. Summary results for PC2 are included in Table 3.

<b>PC 15 Actual Flows</b>		
<b>FY 2022-2023</b>		
<b>Coastal Treatment Plant</b>		
<b>Member Agency</b>	<b>Plant Flows MGD</b>	<b>Plant Flow Percent</b>
CLB	1.53	54.71
EBS	.06	2.22
SCWD	1.20	43.07
MNWD	.00	.00
<b>Total</b>	<b>2.79</b>	<b>100.00</b>

Table 3: PC15 Liquids and Solids Summary Table

PC17

PC17 has a liquid and solids contribution. The liquid flow allocation is based on influent flow to the plant. The influent flow is solely contributed by the MNWD. Due to liquid flow from CTP, the centrate flow is divided by five (5) and distributed to each agency, then summed to create a total liquid flow to the RTP. The flows are then distributed on a proportional basis.

The solids contribution is based on the total daily average pounds contributed by each agency distributed proportionally. Additional ETWD solids samples were programmed into the report. The meter calibration is performed annually in June. Summary results for PC17 are included in Tables 4 and 5.

PC 17 Liquids Regional Treatment Plant FY 2022-2023				
Member Agency	Plant Flow (MGD)	Centrate Flow (MGD)	Total Flow (MGD)	Liquid Flow (%)
CLB	0.00	.01	.01	.09
EBS	.00	.00	.00	.00
SCWD	.00	.01	.00	.06
ETWD	.00	.02	.02	.23
MNWD	7.47	.07	7.54	99.62
Total	7.47	.11	7.57	100.00

Table 4: PC17 Liquids Summary

PC 17 Solids Regional Treatment Plant FY 2022-2023		
Member Agency	#/Day	%
CLB	4185.68	11.86
ETWD	5733.31	16.25
EBS	171.43	.49
MNWD	21865.48	61.97
SCWD	3326.94	9.43
Total	35282.84	100.00

Table 5: PC17 Solids Summary

**Recommended Action:** Staff recommends the Engineering Committee recommends that the Board of Directors approve the Use Audit calculated results for the close of the Use Audit for disbursement and collection of additional funds in FY 2022-23.

# Agenda Item

6

Engineering Committee Meeting

Meeting Date: September 14, 2023

**TO:** Engineering Committee  
**FROM:** Roni Grant, Associate Engineer  
**SUBJECT:** Package B Project Closeout Update [Project Committee 2]

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## Overview

Staff has been working with the Construction Management team, Butier Engineering, to close out the Package B project. This update is intended to provide the Committee members with a snapshot of where things are and what is planned going forward.

Below is a summary of events that have occurred in the past few months.

- On July 10, 2023, SOCWA sent a letter to Olsson Construction requesting they provide documentation for all outstanding change orders by July 25, 2023.
- Olsson submitted the outstanding change order information by July 24, 2023.
- SOCWA reviewed the submitted information and responded to Olsson with questions and comments on the submitted information on August 12, 2023.
- As of September 7, 2023, Olsson has provided responses to some of SOCWA's comments on the submitted change orders. Staff has been in contact with Olsson and is waiting on responses to the remaining change orders.
- On August 11, 2023, Olsson submitted a Time Impact Analysis (TIA) which outlined their position on the number of days they are seeking as compensable delays.
- Butier Engineering performed an initial review of the TIA and met with SOCWA to discuss their findings. SOCWA staff are still reviewing the findings and plan to prepare a response to Olsson in the coming weeks.

Staff are available to answer any questions.

**Recommended Action:** Information Item.

# Agenda Item

# 7

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Roni Grant, Associate Engineer

**SUBJECT:** Capital Improvement Construction Projects Progress and Change Order Report (*September*) [Project Committees 2, 15, 17 & 24]

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## Overview

This agenda item provides an update on projects in construction, including any change orders. Attached are the updated CIP reports. Please note that there is one new change order for the CTP AWMA Road Guardrail Replacement project.

## Project Updates

### JBL Package B

The project is nearly complete. Staff continue to work with the Construction Management team to close out all outstanding items.

### CTP AWMA Road Guardrail Replacement

The work was started and completed this month. There is one new change order for this project.

A silt fence was installed by OCPW to prevent runoff from entering the creek during the winter rains. The silt fence was installed directly in front of one of the guardrails that needed to be replaced. The cost to remove and reinstall 300 LF of silt fence for a total of \$2,940. Also included in the change order is an adjustment based on the actual length of guardrail replaced. The bid items specified 290 LF and 220 LF, but the actual lengths were 300 LF and 225 LF, resulting in an extra \$870 and \$535 of costs.

- Change Order 1 for \$4,345

### ACOO Internal Seal Replacement

The contract was awarded at the July Board meeting. The first dive is scheduled for the night of September 21, 2023. All impacted facilities have been notified, and we will continue to coordinate with them through the completion of the shutdown.

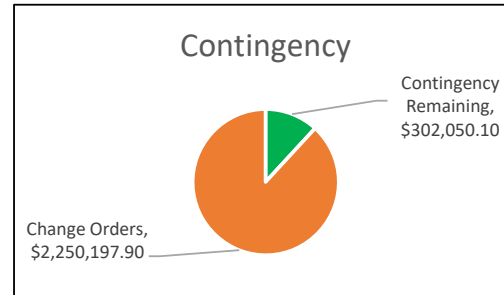
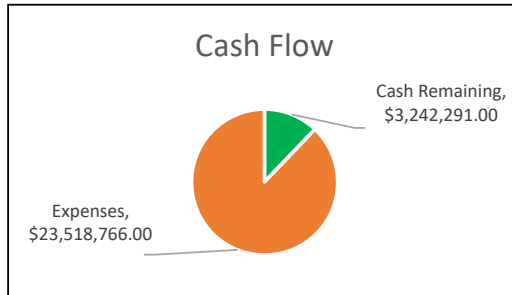
**Recommended Action:** Staff recommends that the Engineering Committee recommend to the PC 15 Board of Directors to approve Change Order 1 for \$4,345 to DC Hubbs Construction for the CTP AWMA Guardrail Replacement project.

**Project Financial Status**

Project Committee	2
Project Name	Package B
Project Description	Plant 1 basin repairs, DAF rehabilitation, Energy Building seismic retrofit and minor rehabilitation, Digester 4 rehabilitation

**Data Last Updated**

August 28, 2023



**Cash Flow**

Collected	\$ 26,761,057.00
Expenses	\$ 23,518,766.00

**Project Completion**

Schedule	100%
Budget	99%

**Contracts**

Company	PO No.	Original	Change Orders*	Amendments	Total	Invoiced
Olsson	13497	\$ 17,325,000.00	\$ 1,301,867.89		\$ 18,626,867.89	\$ 18,626,868.23
Butier	13647	\$ 895,727.00		\$ 1,005,251.00	\$ 1,900,978.00	\$ 1,897,894.50
Carollo	13616	\$ 846,528.00		\$ 616,037.00	\$ 1,462,565.00	\$ 1,390,775.16
TetraTech	13605	\$ 94,000.00		\$ -	\$ 94,000.00	\$ 93,884.70
Ninyo & Moore	14279	\$ 49,399.00		\$ 30,000.00	\$ 79,399.00	\$ 50,166.27
ADS Environmental	16452	\$ 107,200.00	\$ -		\$ 107,200.00	\$ 61,875.00
Dudek	17401	\$ 48,360.00		\$ -	\$ 48,360.00	\$ 42,160.00
		<b>\$ 19,366,214.00</b>	<b>\$ 1,301,867.89</b>	<b>\$ 1,651,288.00</b>	<b>\$ 22,319,369.89</b>	<b>\$ 22,163,623.86</b>

\*Values include change orders to be reviewed by Engineering Committee and deductive change orders

**Contingency**

Area	Project Code	Amount **	Change Orders^	Total Remaining	Percent Used
Liquids	3220-000	\$ 969,679.00	\$ 868,639.46	\$ 101,039.54	89.6%
Common	3231-000	\$ 38,120.00	\$ 3,305.76	\$ 34,814.24	8.7%
Solids	3287-000	\$ 1,544,449.00	\$ 1,378,252.68	\$ 166,196.32	89.2%
		<b>\$ 2,552,248.00</b>	<b>\$ 2,250,197.90</b>	<b>\$ 302,050.10</b>	<b>88.2%</b>

\*\* Amount reflects contingency for Construction Contracts only



**Summary of New Change Orders**

Change Order No	MNWD	SCWD	SMWD	\$ Amount
<b>Grand Total</b>				

**Change Orders and Amendments**

Change Order No.	Vendor Name	Project ID	Description	Status Date	Days	Amount
<b>Approved by Board of Directors</b>					<b>191</b>	<b>\$ 1,318,583.14</b>
1	Olsson	3287-000	Addition of Loop Piping to the Existing Hot Water Lines Adjacent to Digester 3	12/12/2019	0	\$ 4,725.00
2	Olsson	3287-000	Asbestos Gaskets in Boiler hazardous disposal	6/4/2020	0	\$ 6,343.10
3	Olsson	3287-000	Add Analog Infrastructure and Cabling	6/4/2020	11	\$ 37,969.60
4	Olsson	3287-000	Digester 4 Coating Additional Sealant	6/4/2020	3	\$ 24,001.54
5	Olsson	3220-000	Valve Handwheel Ergonomic extension	8/6/2020	28	\$ 16,370.30
6	Olsson	3287-000	Change to DeZurik Plug Valves to match existing	8/6/2020	90	\$ 41,993.87
7	Olsson	3287-000	Digester 4 Additional Concrete Repair	8/6/2020	3	\$ 7,412.74
8	Olsson	3287-000	Repair Existing Damaged Electrical Box	8/6/2020	0	\$ (1,829.00)
9	Olsson	3220-000	Change the Telescoping Valve Boxes and Piping from Carbon Steel to Stainless Steel	8/6/2020	0	\$ 18,677.63

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
10	Olsson	3287-000	Duct bank J Interferences	12/17/2020	18	\$ 73,639.42
11	Olsson	3220-000	Blasting of Existing Influent Pipe Spools	12/17/2020	5	\$ 20,868.52
12	Olsson	3220-000	Duct bank K Interferences	12/17/2020	0	\$ 15,567.08
13	Olsson	3287-000	Digester 3/4 PLC Relocation	12/17/2020	14	\$ 41,367.51
14	Olsson	3287-000	Digester 4 Additional Tank Repair	12/17/2020	18	\$ 33,642.75
15	Olsson	3220-000	Duct bank O Interferences	12/17/2020	0	\$ 1,686.88
16	Olsson	3287-000	Digester 3/4 Control Building Roof Replacement	2/4/2021	0	\$ 42,780.00
17	Olsson	3287-000	MCC-D1 Modifications due to Change in Motor Size	5/6/2021	0	\$ 34,392.02
18	Olsson	3287-000	Integrator Additional Site Visits	5/6/2021	0	\$ 7,571.97
19	Olsson	3287-000	Multi-zone air conditioning unit in the Cogen MCC Room and Office	6/3/2021	0	\$ 29,417.20
20	Olsson	3220-000	Overhead Walkway Removal at Plant 1 Secondary Basins 5 through 9	6/3/2021	0	\$ 62,113.50
21	Olsson	3287-000	Cogeneration PLC Modifications and Integration	6/3/2021	0	\$ 42,922.67
22	Olsson	3220-000	Plant 1 Secondary Basins UV Rated Wear Strips	9/2/2021	0	\$ 28,965.33

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
23	Olsson	3287-000	MCC-F1 Design Change	9/2/2021		\$ 481,290.42
24	Olsson	3287-000	DAF 2 Investigation Work and Inspection Blast	10/7/2021		\$ 67,838.71
25	Olsson	3287-000	New Fiber Conduit in West Blower Building	10/7/2021		\$ 4,957.71
26	Olsson	3220-000	Plant 1 Primary Basin Conduit Obstruction	10/7/2021		\$ 8,444.20
27	Olsson	3220-000	Plant 1 Influent Channel Additional Coating between Primary Basins 5 and 6	10/7/2021		\$ 15,469.98
28	Olsson	3287-000	MCC-F1 Lighting Changes	10/7/2021		\$ 7,843.04
29	Olsson	3287-000	Digester 3 Ground Rod	10/14/2021		\$ 7,269.16
30	Olsson	3220-000	New Fiber Conduits at East Electrical and Storm Water Buildings	10/14/2021		\$ 8,045.43
31	Olsson	3220-000	Plant 2 Primary Influent Channel Repair Credit	12/9/2021		\$ (15,903.00)
32	Olsson	3220-000	Plant 1 and 2 Telescoping Valve Pipe Supports	12/9/2021		\$ 6,132.27
33	Olsson	3287-000	4" Gas Line Routing Modifications	12/9/2021		\$ 18,146.07
34	Olsson	3287-000	Gas Mixer Conduit Conflict	12/9/2021		\$ 12,383.89
35	Olsson	3220-000	P1 Primary Tanks 5 and 6 Temporary Power	3/10/2022		\$ 7,256.05

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
36	Olsson	3220-000	P1 Primary Tanks Skimmers Starter Modification	3/10/2022		\$ 45,374.13
37	Olsson	3220-000	P1 Primary Tanks Hopper Wall Coating	3/10/2022		\$ 34,505.41
38	Olsson	3220-000	P1 Effluent Channel Conduit Conflict	3/10/2022		\$ 9,274.98
39	Olsson	3220-000	P1 Primary Tanks Torque Limit Switch	3/10/2022		\$ 7,149.86
40	Olsson	3287-000	Multi-zone air conditioning unit in the Cogen MCC Room and Office	3/10/2022		\$ (2,309.09)
41	Olsson	3287-000	DAFT 2 Repair	3/10/2022		\$ 59,403.53
42	Olsson	3287-000	Digesters 1 and 2 Heat Exchanger Layout Reconfiguration Electrical	6/2/2022	1	\$ 12,885.18
43	Olsson	3287-000	Digester 3 Heat Exchanger Hot Water Loop Tie-In	6/2/2022		\$ 2,774.58
44	Olsson	3220-000	Plant 1 Primary Basin 1 Shutdown Repair Work	6/2/2022		\$ 1,009.86
45	Olsson	3287-000	Replace Compressor Line and Valve at Digester 4	6/2/2022		\$ 10,762.85
46	Olsson	3220-000	Plant 2 Influent Gates Removal and Concrete Demo	6/2/2022		\$ 5,389.66
47	Olsson	3287-000	DAFT 2 Launder Support Detail	6/9/2022		\$ 45,682.30
48	Olsson	3220-000	Plant 1 Primary Basins 1, 2, 5 and 6 Coating Removal	6/9/2022		\$ 111,101.16

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
49	Olsson	3220-000	Plant 1 Primary Basins 1, 2, 5 and 6 Existing Equipment Removal and Reinstallation	6/9/2022		\$ 71,864.17
50	Olsson	3287-000	Digester Mixing Pumps Control Programming Change	8/4/2022		\$ 4,397.77
51	Olsson	3220-000	Plant 1 Primary Basins Skimmers I/O Connection and Programming Change	8/4/2022		\$ 14,237.83
52	Olsson	3287-000	Fiber Patch Cables to Connect the Centrifuge PLC to the Centrifuge Patch Panel	8/4/2022		\$ 3,755.90
53	Olsson	3220-000	Plant 1 Primary Basins 3 and 4 Coating Removal	8/4/2022		\$ 43,222.24
54	Olsson	3220-000	Plant 1 Secondary Basins Concrete Structural and Basins 2 and 3 Drive Plate Rework	8/4/2022		\$ 20,860.16
55	Olsson	3220-000	Plant 2 Primary Basins Repair and Rehab of Head-Shaft Bearings	8/4/2022		\$ 4,618.44
56	Olsson	3231-000	Board SOCWA Front Office with Plywood to Cover Windows	8/4/2022		\$ 3,305.76

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
57	Olsson	3220-000	Seal the Openings at Plant 1 Primary Influent and Effluent Channels	8/4/2022		\$ 25,491.03
58	Olsson	3220-000	Plant 1 Primary Basins 3 and 4 Existing Equipment Removal and Reinstallation	9/1/2022		\$ 26,498.32
59	Olsson	3220-000	Plant 1 Secondary Basins Existing Embedded Metal Plates	9/1/2022		\$ 4,290.48
60	Olsson	3220-000	Plant 2 Primary Baffle Frame Replacement	9/1/2022		\$ 18,291.57
61	Olsson	3287-000	Digester hatch connection, temperature guage adjustment, and potholing	11/3/2022		\$ 9,971.62
62	Olsson	3220-000	Plant 1 Primary and Secondary Basins crack injection, concrete repair, channel cleaning, solids removal	11/3/2022		\$ 146,734.55
63	Olsson	3287-000	Boiler Room Modifications	12/8/2022		\$ 14,797.83
64	Olsson	3287-000	DAFT 1 Repair	12/8/2022		\$ 66,992.33
65	Olsson	3220-000	Secondary Clarifier Telescoping Valve Modifications (Design Error)	12/8/2022		\$ 32,709.94
66	Olsson	3287-000	Digester Control Buildings Modifications	2/2/2023		\$ 9,746.81

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
67	Olsson	3220-000	Plant 1 and 2 Field Obstructions	2/2/2023		\$ 8,871.74
68	Olsson	3287-000	MCC-F1 Site Modifications	2/2/2023		\$ 57,233.12
69	Olsson	3287-000	DAFT and TWAS area additional slab modification and piping material change	2/2/2023		\$ 19,368.58
70	Olsson	3287-000	DAFT 1 Area Reconfiguration	3/2/2023		\$ 3,046.43
71	Olsson	3287-000	Digester 2 Hot Water Loop Change	3/2/2023		\$ 29,525.46
72	Olsson	3220-000	Plant 1 Seal Influent Channel Openings and Helical Drives Temporary Covers	4/6/2023		\$ 10,831.51
Deduct-Common	Olsson	3231-000	Energy Building Monorail System Descope (F1-F4)	8/4/2022		\$ (70,585.34)
Deduct-Liquids	Olsson	3220-000	Effluent Pump Station Descope (A1-A6)	8/4/2022		\$ (483,605.73)
Deduct-Solids	Olsson	3287-000	Energy Building Modifications Descope (G1-G2, & H1-H2)	8/4/2022		\$ (357,382.60)
HAL 01	Hallsten	3220-000	Cover Layout Modifications	8/4/2022		\$ 16,715.25
<b>Approved by Board of Directors (Amendments)</b>						<b>\$ 1,651,288.00</b>
1CM Common	Butier	3231-000	CM Change Order No. 1	7/13/2021		\$ 48,995.00
1CM Liquids	Butier	3220-000	CM Change Order No. 1	7/13/2021		\$ 294,125.00
1CM Solids	Butier	3287-000	CM Change Order No. 1	7/13/2021		\$ 269,595.00
1ESDC Common	Carollo	3231-000	ESDC Change Order No. 1	6/3/2021		\$ 18,210.00
1ESDC Liquids	Carollo	3220-000	ESDC Change Order No. 1	6/3/2021		\$ 109,256.00

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
1ESDC Solids	Carollo	3287-000	ESDC Change Order No. 1	6/3/2021		\$ 100,151.00
1G Common	Ninyo & Moore	3231-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 5,400.00
1G Liquids	Ninyo & Moore	3220-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 12,300.00
1G Solids	Ninyo & Moore	3287-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 12,300.00
2CM Liquids	Butier	3220-000	CM Change Order No 2	5/12/2022		\$ 196,268.00
2CM Solids	Butier	3287-000	CM Change Order No. 2	5/12/2022		\$ 196,268.00
2ESDC Common	Carollo	3231-000	ESDC Change Order No. 2	12/9/2021		\$ 11,075.00
2ESDC Liquids	Carollo	3220-000	ESDC Change Order No. 2	12/9/2021		\$ 196,440.00
2ESDC Solids	Carollo	3287-000	ESDC Change Order No. 2	12/9/2021		\$ 180,905.00
<b>Potential Change</b>					<b>0</b>	<b>\$ 555,698.72</b>
PCO 005	Olsson	3287-000	TWAS Slab Modifications	8/10/2023	0	\$ 75,180.19
PCO 018	Olsson	3287-000	Electrical Potholing for Ductbank Conflicts	8/10/2023	0	\$ 147,333.65
PCO 038	Olsson	3287-000	Existing Valves at Digester 4 Heat Exchanger	8/10/2023	0	\$ 1,633.45
PCO 047	Olsson	3287-000	Digester 3/4 Control Building Tee Replacement	8/10/2023		\$ 5,000.00
PCO 054	Olsson	3220-000	Plant 1 Primary Effluent Channel Wall Corrosion	8/10/2023	0	\$ 6,877.38
PCO 055	Olsson	3287-000	Additional Concrete Repair behind Digesters 1 & 2	8/10/2023		\$ 7,500.00



<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
PCO 058	Olsson	3220-000	Aluminum Kickplate at Aeration Basins	8/10/2023	0	\$ 66,617.84
PCO 061	Olsson	3220-000	Steel Plate Coating and Blasting Extra Work	8/10/2023	0	\$ 26,011.51
PCO 063	Olsson	3220-000	Concrete Repair at Secondary Basin Drive Units	8/10/2023		\$ 8,000.00
PCO 064	Olsson	3220-000	Effluent Channel FA Duct Footing Conflicts	8/10/2023		\$ 5,000.00
PCO 068	Olsson	3287-000	Chopper Pump Impeller Issues	8/10/2023	0	\$ 405.11
PCO 070	Olsson	3220-000	Tread Plate-Slide Gate Conflicts at Effluent Channel	8/10/2023		\$ 5,000.00
PCO 071	Olsson	3220-000	Effluent Channel Unforeseen Existing Conduit	8/10/2023		\$ 5,000.00
PCO 072	Olsson	3287-000	Existing Conflicts at DAFT 2 Stairs	8/10/2023	0	\$ 183.37
PCO 075	Olsson	3220-000	Bypass Pumping Plan Issues	8/10/2023	0	\$ 82,602.06
PCO 083	Olsson	3220-000	Replacing the P1 Head Shaft Plate	8/10/2023	0	\$ 21,828.73
PCO 095	Olsson	3287-000	Foul Air Rerouting at DAFT 2	8/10/2023	0	\$ 2,201.62
PCO 098	Olsson	3220-000	Bypass Pumping Plan Issues	8/10/2023	0	\$ 112,458.59
PCO 106	Olsson	3287-000	DAFT 2 Isolation Valve	8/10/2023	0	\$ 660.19
PCO 109	Olsson	3220-000	P1P Influent Channel Scum Gate Openings	8/10/2023	0	\$ 7,485.69
PCO 121	Olsson	3287-000	DAFT 1 Additional Repair - Flange	8/10/2023		\$ 3,000.00
PCO 143	Olsson	3287-000	Revisions to DG Line	8/10/2023		\$ 3,000.00
PCO 152	Olsson	3231-000	Lab Building Footing Demolition	8/10/2023	0	\$ 6,537.01

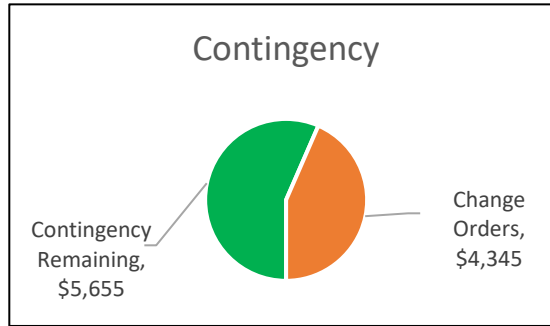
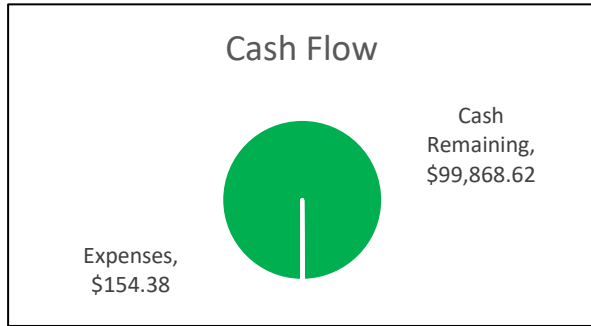
<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
PCO 154	Olsson	3287-000	Delete Hysafe A Frame Structure	8/10/2023	0	\$ (18,133.38)
PCO 155	Olsson	3287-000	Delete Digester 1 and 2 Coated Foam Roofing	8/10/2023	0	\$ (60,018.62)
PCO 156	Olsson	3287-000	DAFT 2 Sludge Pump Investigation Work	8/10/2023	0	\$ 2,949.48
PCO 157	Olsson	3220-000	Plant 1 Primary Influent Gates and Concrete Demolition	8/10/2023	0	\$ 2,857.86
PCO 158	Olsson	3287-000	DAFT water pipe relocation	8/10/2023	0	\$ 4,440.75
PCO 159	Olsson	3220-000	Plant 2 Influent Channel ledger changes	8/10/2023	0	\$ 5,127.14
PCO 160	Olsson	3287-000	DAFT 2 buried obstructions	8/10/2023	0	\$ 2,141.75
PCO 161	Olsson	3220-000	Plant 2 Primary Headshaft Replacement	8/10/2023	0	\$ 12,268.07
PCO 162	Olsson	3287-000	Digester 1/2 Control Building Ceiling Demo	8/10/2023	0	\$ 1,798.04
PCO 163	Olsson	3220-000	Demo and Cleanup Plant 1 Secondary Basin 3	8/10/2023	0	\$ 1,969.66
PCO 164	Olsson	3220-000	Plant 2 Secondary Valve Hardware Replacement	8/10/2023	0	\$ 781.58
<b>Grand Total</b>					<b>191</b>	<b>\$ 3,525,569.86</b>

**Project Financial Status**

**Data Last Updated**

Project Committee	15
Project Name	CTP AWMA Road Guardrail Replacement
Project Description	Replacing 510 linear feet of damaged guardrail along AWMA Road to CTP

August 28, 2023
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**Cash Flow**

Collected	\$ 100,023.00
Expenses	\$ 154.38

**Project Completion**

Schedule	98%
Budget	0%

**Construction Contracts**

Company	PO No.	Original	Change Orders	Amendments	Total	Invoiced
Danny C. Hubbs	18886	\$ 48,770.00	\$ 4,345.00		\$ 53,115.00	\$ -
					\$ -	\$ -
		<b>\$ 48,770.00</b>	<b>\$ 4,345.00</b>	<b>\$ -</b>	<b>\$ 53,115.00</b>	<b>\$ -</b>

*\*Values include change orders to be reviewed by Engineering Committee and deductive change orders*

**Construction Contingency**

Area	Project Code	Amount	Change Orders	Total Remaining	Percent Used
Liquids	3528-000	\$ 10,000.00	\$ 4,345.00	\$ 5,655.00	43.5%
		<b>\$ 10,000.00</b>	<b>\$ 4,345.00</b>	<b>\$ 5,655.00</b>	<b>43.5%</b>

**Change Orders**

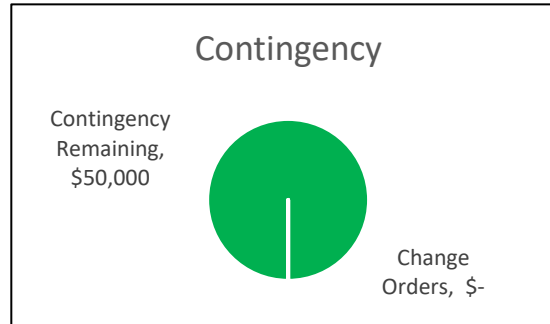
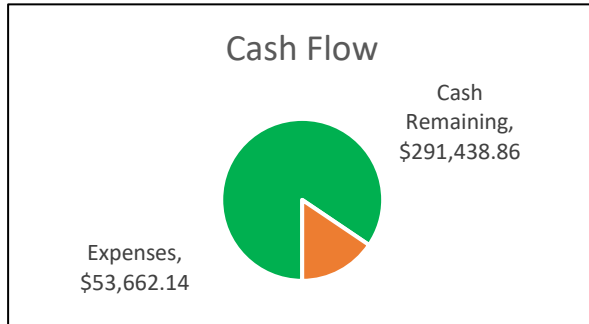
<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
<b>Within Contingency, to be reviewed by Engineering Committee</b>					<b>0</b>	<b>\$ 4,345.00</b>
1	Danny C. Hubbs	3528-000	Remove and Reinstall Silt Fence	9/14/2023	0	\$ 4,345.00

**Project Financial Status**

**Data Last Updated**

Project Committee	24
Project Name	Aliso Creek Ocean Outfall Internal Seal Replacement
Project Description	Replacing 5 seals on the interior of the outfall

August 28, 2023
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**Cash Flow**

Collected	\$ 345,101.00
Expenses	\$ 53,662.14

**Project Completion**

Schedule	32%
Budget	5%

**Construction Contracts**

Company	PO No.	Original	Change Orders	Amendments	Total	Invoiced
J.F. Brennan Compan	19185	\$ 261,753.00			\$ 261,753.00	\$ -
Black & Veatch	18544	\$ 75,310.00			\$ 75,310.00	\$ 17,612.50
		<b>\$ 337,063.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 337,063.00</b>	<b>\$ 17,612.50</b>

*\*Values include change orders to be reviewed by Engineering Committee and deductive change orders*

**Construction Contingency**

Area	Project Code	Amount	Change Orders	Total Remaining	Percent Used
Outfall	3480-000	\$ 50,000.00	\$ -	\$ 50,000.00	0.0%
		<b>\$ 50,000.00</b>	<b>\$ -</b>	<b>\$ 50,000.00</b>	<b>0.0%</b>

# Agenda Item

# 8

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Roni Grant, Associate Engineer

**SUBJECT:** Contract Amendment for Design of Effluent Transmission Main Air Valve Replacement Project [Project Committee 21]

## Overview

The Effluent Transmission Main (ETM) system includes combination air-vacuum / air release valves at high points along the pipeline. These valves are original and are ready to be replaced along with the laterals that connect them to the ETM. In 2020, Tetra Tech was contracted to design the replacement of nine of these valves and laterals on Reaches D and E of the ETM. The project was paused during 2020/2021 and resumed in 2022.

The original scope for the project excluded potholing, utility investigation, and coordination with property owners. Additionally, during the review of the 50% plans, Staff realized that two of the air valves are at locations that necessitate more detailed investigations. SOCWA engineering staff requested support from Tetra Tech to provide these services. Tetra Tech prepared the attached proposal that includes:

- Potholing in Alicia Parkway (Valve #11).
- Evaluating alternatives to replacement at Valve #14 (located within the Aliso and Wood Canyons Wilderness Park).
- Optional task to provide additional potholing support should it be needed.
- Optional task to redesign the replacement of Valve #14 should it be necessary.

## Cost Analysis

This project is split between two project numbers: 3107-000 (Reach D) and 3108-000 (Reach E). Both of these projects have sufficient funds collected to cover the cost of this amendment. Table 1 below shows the cost breakdown by member agency for the tasks associated with Reach D, Reach E, and the total.

Table 1 – Cost Allocation

Member Agency	Reach D Tasks	Reach E Tasks	Total
El Toro Water District	\$8,150.00	\$9,059.81	\$17,209.81
Irvine Ranch Water District	\$8,150.00	\$9,059.81	\$17,209.81
Moulton Niguel Water District	\$-	\$20,780.38	\$20,780.38
Total	\$16,300.00	\$38,900.00	\$55,200.00

**Recommended Action:** Staff recommends that the Engineering Committee recommend that the PC 21 Board of Directors approve the contract amendment to Tetra Tech for a total of \$55,200 for additional design services for the ETM Air Valve Replacement Project.

September 1, 2023

Mr. David Baranowski, PE  
Senior Engineer  
South Orange County Wastewater Authority  
34156 Del Obispo Street  
Dana Point, CA 92629

**Reference: ETM Reaches D & E Air Valve Replacement Project  
Amendment Proposal No. 1**

Dear Mr. Baranowski:

Tetra Tech has been working with the South Orange County Wastewater Authority (SOCWA) on the ETM Reaches D & E Air Valve Replacement Project since September 2020. The approved contract amount for this project is \$79,800. After our PDR/50% Submittal Review Meeting on February 24<sup>th</sup>, SOCWA asked Tetra Tech to provide a proposal for some supplementary design items, specifically for:

- Air Valve #11, for pothole investigation services within Alicia Parkway.
- Air Valve #14, which is in an environmentally sensitive and remote area.

The following correspondence summarizes our understanding of the additional work requested by SOCWA. The task number sequence is a continuation of the tasks used in the original proposal.

**ADDITIONAL WORK**

***Task No. 5 – Air Valve #11 Pothole:***

- A. Coordination: Tetra Tech will coordinate the pothole investigation effort at this location with both the City of Laguna Niguel and our subconsultant (C Below). This task also includes any minor assistance that may be required during the work effort.
- B. Pothole Investigation: SOCWA requested Tetra Tech provide a quote for potholing services at AV #11 within Alicia Parkway for the underground utilities. This is a major thoroughfare and requires traffic control plans be submitted to the City of Laguna Niguel as part of the encroachment permit application process.
  1. Tetra Tech will have C Below perform pothole investigation efforts for four (4) locations within Alicia Parkway as indicated in the Pothole Exhibit. A standard pothole (12”x12”) will be performed to the top of pipe or encasement with sand backfill and a permanent surface patch. This effort includes preparation of formal traffic control plans to be submitted to the City of Laguna Niguel as part of the encroachment permit application as well as the Pothole Report. Please note limitations on work hours may cause additional mobilization or traffic control charges which are included as Optional Task 7 herein.

***Task No. 6 – Air Valve #14 Investigation:***

- A. Data Gathering: Tetra Tech will perform research to assess the jurisdictional agencies (including State, Coastal Commission, and others) from whom an encroachment permit must be processed and obtained for the construction work effort. With the guidance of our in-house environmental staff, we will determine each agency’s requirements, including environmental work restrictions, and the anticipated effort of the permit process, including timelines for SOCWA’s review and consideration. This information will be documented in a short memorandum with Item B below.

- B. Preliminary Design: AV #14 is located along a trail south of Aliso Canyon Road near the OC Parks Aliso and Wood Canyons Wilderness Park. The air valve is located about 100 feet south of the dirt trail pathway. The pathway is accessible from Aliso Canyon Road about ¼ mile away. SOCWA is concerned about the challenges in accessing the site with construction equipment to perform the work required.

Tetra Tech will prepare a short memorandum evaluating options to mitigate the challenges of construction at this site, including:

1. **Alternative Improvements**: We will evaluate alternative improvement options for the ETM to avoid the replacement of AV #14 altogether. Tetra Tech will look at the system as a whole and determine if another potential location of an air valve would be useful. We will review the system’s maximum/minimum pressures to help with this determination.
2. **No Improvement**: We will itemize the potential risks involved in not replacing this air valve and making no other improvements for this location. We will review the viability of this option if the environmental impacts are high.
3. **Modified Improvement**: Tetra Tech will evaluate any potential modifications to the improvements that could be made to minimize the invasive construction effort at this location. This will also include a list of the type of permitting/environmental mitigation that may be required if the construction at this site is pursued.

**Optional Task No. 7 – Additional PH Efforts:**

- A. Should limitations on the allowable work hours affect our pothole efforts, we have included this Optional Task 7 to budget for additional time and mobilization by our subconsultant. This task also includes coordination with Tetra Tech, SOCWA, and the City of Laguna Niguel. This task will utilize the additional budget only if authorized by SOCWA.

**Optional Task No. 8 – Additional AV #14 Design:**

- A. As part of Task 6B, SOCWA will review the short memorandum prepared and evaluate the options. If SOCWA elects to pursue improvements requiring construction, including excavation and major equipment, this will necessitate obtaining a permit from the Coastal Commission. This optional task is to modify the plans and specifications to include the new design improvements, including a separate sheet/exhibit addressing Coastal Commission requirements. We have included an estimated budget to support SOCWA in obtaining a permit from the Coastal Commission. This may include modifications to the plans/exhibits from comments (two review submittals) provided by them or providing supplemental information for the access permit application. Should the efforts required exceed budgeted amount, Tetra Tech will coordinate with SOCWA for additional scope and budget. This task will be utilized only if authorized by SOCWA.

**SUMMARY**

The following is a summary of the budget increase for the requested additional work:

Task No.	Description of the Work	Requested Budget
<i>Additional Services</i>		
5	Air Valve #11 Pothole	\$ 9,600
6	Air Valve #14 Investigation	\$22,100
7	Additional PH Efforts (Optional Task)	\$ 6,700
8	Additional AV #14 Design (Optional Task)	\$16,800
	<b>Total Amount</b>	<b>\$55,200</b>



Mr. David Baranowski, PE  
September 1, 2023

Acceptance by SOCWA of this Amendment Proposal will increase our approved budget from \$79,800 to **\$135,000**. Attached herewith is the cost and labor hour breakdown for the additional work.

Should you have any questions or want to discuss this request in further detail, please do not hesitate to give me a call.

Sincerely,


A handwritten signature in purple ink, appearing to read 'Neha Gajjar', with a stylized flourish at the end.

Neha Gajjar, PE  
Senior Project Manager

NG

Attachment

O:\Projects\Irvine\09312\200-09312-21001\ProjMgmt\Contracts\COS\CO #1 AV-14-11

 <b>Price Proposal</b>		Labor Plan						Price Summary / Totals				
		6 Resource						Task Pricing Totals		55,200		
<b>CO #1 for AV-11 &amp; AV-14</b>								Specify Add'l Fees on Setup		0		
SOCWA Air Valve Design - CO #1 for AV-11 & AV-14		Proj Area >	Civil	Civil	Civil	Civil	Civil	Civil	<b>Total Price</b>		<b>55,200</b>	
Submitted to: SOCWA (Attn: David Baranowski)								<b>Pricing by Resource</b>				
Contract Type: T&M												
<b>Project Phases / Tasks</b>		<b>Total Labor Hrs</b>	Project Manager (Tom Epperson)	Senior Project Manager (Neha Gajjar)	Senior Engineer 2 (Erica Jenkins)	Project Engineer 1 (Jaden Miller)	Engineer 3 (Ashley Pham)	Sr Project Administrator (Deana Escamilla)	Labor	Subs	ODCs	<b>Task Pricing Totals</b>
		<b>219</b>	9	22	52	46	86	4	39,840	15,069	292	<b>55,200</b>
<b>Task 5 - Air Valve #11 Pothole</b>		<b>11</b>	-	-	<b>5</b>	<b>2</b>	<b>4</b>	-	<b>1,890</b>	<b>7,694</b>	<b>17</b>	<b>9,600</b>
A. Coordination		8			4		4		1,360		17	1,377
B. Pothole Investigation		3			1	2			530	7,694		8,224
<b>Task 6 - Air Valve #14 Investigation</b>		<b>104</b>	<b>6</b>	<b>12</b>	<b>28</b>	<b>18</b>	<b>38</b>	<b>2</b>	<b>19,720</b>	<b>2,200</b>	<b>180</b>	<b>22,100</b>
A. Data Gathering		23	1	2	4	-	16	-	3,880	2,200	98	6,178
B. Preliminary Design/Memorandum		81	5	10	24	18	22	2	15,840	-	83	15,923
<b>Optional Task 7 - Additional PH Efforts</b>		<b>8</b>	-	<b>1</b>	<b>3</b>	<b>2</b>	<b>2</b>	-	<b>1,515</b>	<b>5,175</b>	<b>10</b>	<b>6,700</b>
A. Coordination		5		1	2		2		985		10	995
B. Pothole Investigation		3			1	2			530	5,175		5,705
<b>Optional Task 8 - Additional AV #14 Design</b>		<b>96</b>	<b>3</b>	<b>9</b>	<b>16</b>	<b>24</b>	<b>42</b>	<b>2</b>	<b>16,715</b>	-	<b>85</b>	<b>16,800</b>
A. Plan Revisions for Improvements		13		1	2	4	6		2,145		23	2,168
B. New Exhibit for Coastal Commission & Site Access		29	1	2	6	8	12		5,060		31	5,091
C. Support for Coastal Commission Permit (2 Reviews)		54	2	6	8	12	24	2	9,510		31	9,541
<b>Totals</b>		<b>219</b>	<b>9</b>	<b>22</b>	<b>52</b>	<b>46</b>	<b>86</b>	<b>4</b>	<b>39,840</b>	<b>15,069</b>	<b>292</b>	<b>55,200</b>



# Agenda Item

# 9

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Roni Grant, Associate Engineer

**SUBJECT:** Contract Award for Engineering Services During Construction for Coastal Treatment Plant (CTP) Aeration Diffuser Replacement Project  
[Project Committee 15]

## Overview

The aeration diffusers for the Coastal Treatment Plant (CTP) have exceeded their useful life and are in need of replacement. SOCWA pre-purchased the new diffusers in 2021. The diffusers were delivered earlier this year, and the invitation for bids was published on August 24, 2023.

The design consultant, Hazen and Sawyer, submitted a proposal to provide engineering services during construction (ESDC). The scope of services includes the following:

- Responding to RFIs
- Reviewing submittals
- Reviewing change order requests
- Preparing record drawings
- Site visits
- Project management

## Cost Analysis

The proposed cost for these services is \$68,580. The cost allocation by member is shown in Table 1. Project 35228L-000 has a budget of \$1,250,000 this year for the construction and ESDC services.

Table 1 – Cost Allocation

Member Agency	<b>35228L-000</b>
City of Laguna Beach	\$25,998.99
Emerald Bay Service District	\$2,047.16
Moulton Niguel Water District	\$20,062.21
South Coast Water District	\$20,471.64
Total	\$68,580.00

**Recommended Action:** Staff recommends that the Engineering Committee recommend to the Board of Directors to approve the contract to Hazen and Sawyer for a total of \$68,580 for Engineering Services During Construction for the CTP Aeration Diffuser Replacement Project.



Hazen and Sawyer  
7700 Irvine Center Drive, Suite 200  
Irvine, CA 92618 • 949.951.8549

September 5, 2023

Ms. Roni Young  
Engineering  
South Orange County Wastewater Authority (SOCWA)  
34156 Del Obispo Street  
Dana Point, CA 92629

**Re: Letter Proposal to provide Engineering Services during Construction at the Coastal Treatment Plant**

Dear Ms. Young:

We are very pleased to have the opportunity to submit this letter proposal and fee estimate to provide engineering services during construction for the Coastal Treatment Plant (CTP) Aeration Diffuser Replacement Project.

SOCWA retained Hazen and Sawyer to provide engineering design services for the CTP Aeration Diffuser Replacement Project. Hazen concluded design services in June 2023 and will provide bid phase support services. The attached cost proposal presents the anticipated scope of services, estimated level of effort and associated fee to provide engineering services during construction (ESDC). The total not-to-exceed fee for the proposed tasks is \$68,580.

We sincerely appreciate the opportunity to submit this letter proposal. Our local team, led by Bryce Danker, as our Project Manager, is available and ready to move forward with this important project. If you should have any questions or wish to discuss our proposal, please contact me at [bdanker@HazenandSawyer.com](mailto:bdanker@HazenandSawyer.com) or (714) 928-1906. Thank you.

Sincerely,

**Scope of Work  
Engineering Services During Construction  
Aeration Diffuser Replacement Project  
September 5, 2023**

This document summarizes Hazen and Sawyer's (Hazen's) scope of work to provide engineering services during construction of South Orange County Wastewater Authority's Aeration Diffuser Replacement Project. To accomplish this effort, Hazen will provide the following services:

***Task 1 - Requests for Information***

Throughout construction, Hazen will receive Requests for Information (RFIs) from the Contractor, maintain a status log of the requests, and submit responses to SOCWA in writing. The RFIs will be interpreted and reviewed with SOCWA for concurrence. This scope assumes that Hazen will respond to 16 RFIs with an average review time of 6 hours per RFI.

***Task 2 - Submittal Reviews***

Hazen will review Contractor's detailed shop drawings, materials and equipment submittals, operation and maintenance manuals, and other submittals as required in the Contract Document. Review procedures will be directed by SOCWA. Hazen will determine whether the Contractor's submittal follows design drawings and specifications and will respond to each submittal to show the status of the review and required action by the Contractor. Hazen will evaluate and advise the acceptability of substitutions, or "or-equal" materials and equipment proposed by the Contractor. A submittal status log will be maintained for the outcome of the review and comments. This scope assumes Hazen will review 16 initial submittals and 8 resubmittals with an average review time of 6 hours per initial submittal and 4 hour per resubmittal.

***Task 3 - Change Order Assistance***

Hazen will review and analyze Change Order Requests (CORs) to determine their merit relative to the Contract Documents and design intent upon the request of SOCWA. Hazen will evaluate the scope of work and pricing information and make recommendations to SOCWA. If the request is approved by SOCWA, Hazen will prepare and issue Work Change Directives and/or Change Orders to instruct the Contractor to proceed with this change in work. A status log will be maintained throughout the duration of the project. This scope assumes that Hazen will review 4 CORs with an average review time of 10 hours per COR.

***Task 4 - Record Drawings***

Hazen will update the design drawings based upon as-builts furnished and by the Contractor and confirmed by SOCWA's construction manager as accurate. Hazen will then prepare final project record drawings by incorporating these markups. The record drawings will be submitted to SOCWA electronically. An allowance of 30 hours has been budgeted for this effort.

***Task 5 - Meetings and Site Visits***

Hazen will attend the initial pre-construction meeting with the selected contractor and SOCWA staff. Hazen will conduct periodic site visits to obtain information as required to respond to RFIs and for construction observation during critical construction timeframes. This scope assumes Hazen will attend one pre-construction meeting and conduct 4 site visits during the course of construction.

***Task 6 - Project Management***

Hazen will provide project administration and management necessary to perform the planning, execution, monitoring, and reporting of this project. Hazen will prepare a monthly progress letter report for attachment to the monthly invoice to track and report budget expenditures and key work products completed during the billing period.

SOCWA

Aeration Diffuser Replacement ESDCs

Hazen and Sawyer Proposal Breakdown by Task

Task Number and Title Number Title		Vice President	Asc Vice President	Senior Associate	Associate	Senior Principal Engineer	Principal Engineer	Engineer	Assistant Engineer	Senior Designer	Senior Administrator	Hazen Hours	Labor Cost	Direct Costs	Total Cost
		Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary				
		\$ 325	\$ 295	\$ 280	\$ 220	\$ 200	\$ 175	\$ 165	\$ 155	\$ 150	\$ 125				
Task															
1	Requests for Information (RFIs)	0	4	0	32	32	0	0	16	12	0	96	\$ 18,900		\$ 18,900
2	Submittal Reviews	0	4	0	56	32	0	0	36	0	0	128	\$ 25,480		\$ 25,480
3	Change Order Assistance	0	0	0	16	16	0	0	8	0	0	40	\$ 7,960		\$ 7,960
4	Record Drawings	0	0	0	2	8	0	0	0	20	0	30	\$ 5,040		\$ 5,040
5	Meetings and Site Visits	0	0	0	15	10	0	0	0	0	0	25	\$ 5,300	\$ 200	\$ 5,500
6	Project Management	4	0	0	20	0	0	0	0	0	0	24	\$ 5,700		\$ 5,700
<b>TOTAL HAZEN HOURS</b>		<b>4</b>	<b>8</b>	<b>0</b>	<b>141</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>32</b>	<b>0</b>	<b>343</b>	<b>\$ 68,380</b>	<b>\$ 200</b>	<b>\$ 68,580</b>



# Agenda Item

# 10

**Engineering Committee Meeting**

**Meeting Date:** September 14, 2023

**TO:** Engineering Committee

**FROM:** Roni Grant, Associate Engineer

**SUBJECT:** J.B. Latham Treatment Plant (JBL) Plant 1 Standby Generator Pre-Purchasing Update [Project Committee 2]

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## Overview

The Engineering Committee reviewed this item on August 10, 2023. At that time, only the original quotes had been received. The Engineering Committee granted staff the ability to continue coordinating the final quotes with the vendors. It allowed staff to bring the contract award to the Board as long as the final price was below \$592,000.

Since the August Engineering Committee meeting, staff received the updated quotes from Quinn/Caterpillar for \$483,700 and \$550,000 from Cummins. At the September 7, 2023, Board meeting, the Board approved the purchase of the Quinn/Caterpillar generator with a 10 percent contingency to cover taxes and any other fees that may not be included in the quote. The total, including contingency, is \$532,070.

For information purposes only, the quotes from each vendor are included in the following pages.

**Recommended Action:** Information Item.



# QUOTATION

NO. 230468

3500 Shepherd Street, City of Industry, California 90601  
 Box 226789, Los Angeles, California 90022-0744  
 (562) 463-6000 Fax: (562) 463-7156

Date: **August 11, 2023**

Page: **1 of 6**

To: Contact: **Jeanette Cotinola**  
 Company: **SOCWA**  
 Address: **24156 Del Obispo St**  
 City, Zip: **Dana Point**  
 Phone: **949 324 5279** Email: [Jcotinola@socwa.com](mailto:Jcotinola@socwa.com)

Terms: **Net Cash, see T&C's**  
 F.O.B. **Jobsite, unloading by others**  
 Sales Rep.: **Cameron Early**  
 Contact #: **949 395 1127**  
 Email: [Cameron.early@quinnpower.com](mailto:Cameron.early@quinnpower.com)

**Project Name: 230468 SOCWA Generator Replacement Latham Project**

Qty:	Description	Unit Price	Extension
1	<p>New <b>Caterpillar, Model G3412</b> Natural Gas Standby Generator Set. Rated 500, w/fan, 60Hz, 277/480V at 1800 RPM. <i>See Below for all features</i></p> <p><i>Package Includes</i></p> <ul style="list-style-type: none"> <li>• EPA STATIONARY EMERGENCY</li> <li>• VOLTAGE INDICATOR 480V</li> <li>• 500 EKW W/FAN</li> <li>• OPT EMISS -EPA -2 G/BHP HR</li> <li>• SOUND ATTEN. ENCL-YLW-75 DBA</li> <li>• WIDE BASE</li> <li>• 105C TEMP RISE OVER 40C AMB</li> <li>• STD PRESS. FUEL SYS NFPA 01</li> <li>• 1000:5 CT RATIO</li> <li>• STANDBY POWER APPLICATION</li> <li>• cULus CERTIFIED GENSET</li> <li>• CALIFORNIA PROP 65 WARNING</li> <li>• G3412 0.5 MW EPA 2 GRAM</li> <li>• GAS EPG</li> <li>• COMMERCIAL BUSINESSES</li> <li>• EMERGENCY STANDBY POWER</li> <li>• ENGLISH LANGUAGE</li> <li>• LANGUAGE MARKINGS-ENGLISH</li> <li>• LED FLOOD LIGHTS - DC SOURCE</li> <li>• EMCP 4.3 CONTROL PANEL</li> <li>• GRN RUNNING &amp; FAULT RELAY</li> <li>• GENERATOR 6134G FRAME PREM C1</li> <li>• SPACE HEATER - 230V</li> <li>• NFPA 99/110 LOCAL ANNUNCIATOR</li> <li>• ETHERNET TELEMATICS</li> <li>• NO PTS REQUIRED</li> <li>• ONE CIRCUIT BREAKER/PACKAGE</li> <li>• 800A SINGLE CB - MANUAL</li> <li>• NO FIRST CIRCUIT BREAKER - CB1</li> <li>• NO SECOND CIRCUIT BREAKER CB2</li> <li>• POWER CENTER - RH MOUNTED</li> <li>• CB CABLE GP ABB/T6-800/600</li> <li>• NEUTRAL CABLES (600A/800A)</li> <li>• NEUTRAL BAR -480V W/DISCONNECT</li> <li>• STANDARD RADIATOR</li> <li>• JWATER HEATER W/PUMP -480 VAC</li> <li>• HEATER CONTROL GROUP</li> <li>• BATTERY SET, RACK AND CABLES</li> <li>• LUBRICATING OIL</li> <li>• NO PRELUBE PUMP</li> <li>• CUSTOMER CONNECTION PIPE</li> <li>• STORAGE PRESERVATION</li> <li>• PGS TEST REPORT @ 0.8 PF</li> <li>• GENERATOR TEST REPORT</li> <li>• STD ENGINE TEST CHARGE</li> <li>• STANDARD GENSET TVA REPORT</li> <li>• RMLB 1 RM Load Bank</li> <li>• CVA 1 1 Year CVA</li> <li>• Oil Sample 1 Oil Sample Kits</li> <li>• 1 SHOP LOAD/WHITENESS TEST</li> <li>• 1 TRAINING 4HR SESSION</li> </ul>	\$ 483,700.00	\$ 483,700.00



# QUOTATION

NO. 230468

3500 Shepherd Street, City of Industry, California 90601  
Box 226789, Los Angeles, California 90022-0744  
(562) 463-6000 Fax: (562) 463-7156

Date: August 11, 2023

Page: 2 of 6

- Start Up Per section 3

**Pricing valid for purchase orders received in 30 days and equipment released by 12/10/2023.**

**NOTE ON ESTIMATED LEAD TIMES: Lead times listed below are best information at time of quoting, and are subject to change depending on market conditions in the global supply chain.**

*Optional adders listed below.*

*Includes standard features as listed in product data sheet and additional accessories as listed herein...*

SALES TAX NOT INCLUDED. Buyer responsible for all taxes including any applicable tire fees. The quotation provided herein is for information only, and is not a valid offer to sell unless signed by an officer of Quinn Power Systems in the space provided below. Any offer to sell or any offer accepted shall be subject to the Terms and Conditions page. Unless expressly stated on the face of this quotation, all prices, delivery schedules and product specifications are subject to change without notice. **Quotation is good for 30 days from quote date above, expires after that duration.**

**Total Price  
(SALES TAX NOT  
INCLUDED):**

**\$ 483,700.00**



# QUOTATION

NO. 230468

3500 Shepherd Street, City of Industry, California 90601  
Box 226789, Los Angeles, California 90022-0744  
(562) 463-6000 Fax: (562) 463-7156

Date: **August 11, 2023**

Page: **3 of 6**

**Accessories and/or modifications**

- Initial fill of coolant and lube oil
- (1 set) Operation & Maintenance manuals (electronic copy) \* **(additional sets, at additional cost)**
- Factory standard warranty - 2 years from startup service
- Spare Parts \* (set of filters)
- Fuel Tank Normal Vent Extension (12'ft above grade) \*
- Extended Service Coverage - 5 year / 2500 hour, Platinum w/ \$0 deductible from startup service

**QPS field work**

- Delivery to jobsite **(offload/crane service by others)**
- Level 3 Startup Service **[incl. generator inspection & 4hr load bank test] ~**
- On-site Training Session **[single, 4 hour day]**
- CVA (Preventative Maintenance) – # year, Annual
- Basic Demonstration – **[included at no charge, if provided during the time of startup].**
- \*\* See adder price below for a separate training session\*\***

**Not included**

- Sales tax
- Air, building or construct permits
- Offloading/crane service of equipment off delivery truck
- Installation, wiring, piping, plumbing or anchoring of equipment
- Diesel fuel, initial fill or for testing

**Optional adders**

**Availability:**

**Submittals:** **Estimated** (8+ Weeks) on receipt and approval of purchase order. (1 electronic copy) Submittal approval is expected not exceed 60 days, additional time may impacted delivery schedule and equipment price increases.

**Equipment:** **Estimated** (60-62 Weeks) for factory build time after submittal approval. Subject to change at time of order.

**Modifications:** **Estimated** (Additional time TBD) additional time will vary depending on 3rd party or Quinn shop schedule and scope of work.

**Not included:** Unforeseen factory delays, transit time from factory or vendor and/or delays due to project site readiness.

**\*\* Equipment prices and lead times are subject to change without notice.\*\***

## **NOTES, EXCEPTIONS, CLARIFICATION**

- Quinn Power Systems is not a general, electrical or installing contractor. Providing equipment and services as described above only.
- The equipment offered in this proposal is CAT standard product (with modifications) as listed above based on 1) verbal or written request specification section 16620 (dated May 2023) and/or single line drawing E114 (dated Mat 2023) provided for review. No other written details, plans, specification sections, contract documents, general or supplementary conditions apply to this quotation. Equipment is as stated above, call for any revisions to equipment quoted. Exception taken to anything not included in this proposal and as listed below.
- Quotation does not include any Sales Tax, Air District or Building Permits, Off-loading or Crane Services, Installation or Anchoring, Initial Fuel fill or Test fuel, Major Testing unless otherwise specified in the Bill of Materials.
- Depending on final height of installed generator set, a working platform may be required to access the control panel and maintenance doors. Platforms are not included in this proposal, unless stated above. Call for revised quotation if required.
- Startup/Commissioning Services are provided for CAT factory/QPS supplied equipment only. Scope of work for Startup Services available upon request. Out of Scope services are billed on a Time & Material basis in the field at purchaser's expense. QPS standard labor rates apply. Technician services are provided during normal business hours Monday through Friday.
- Exception taken to any NETA 3<sup>rd</sup> party or independent testing requirements. Any and all testing as listed above to be provided by QPS technicians.
- Exception taken Section 3.02, D, 5 Warranty is 5 years or 2500 hours from install and start up. Scheduling for service appointments is in the remit of the end user.
- 
- 
-

**EMISSIONS NOTE**

- "California Air Resources Board (CARB) has approved alignment with the federal New Source Performance Standards (NSPS). Such alignment allows for emergency standby engines to be exempt from Tier 4 emissions standards; however, local air districts can require more stringent emissions control. The prospective buyer of the equipment quoted above is hereby notified the NSPS exemption does not apply to non-emergency standby engines (e.g. prime power applications such as peak shaving, parallel operation with the grid, or storm avoidance), or portable engines, even if used for emergency standby. Consult the local air district for permitting requirements and required emissions controls. Presently, South Coast Air Quality Management District (SCAQMD) Rule 1470 requires the use of a particulate filter if an engine is located within 100 meters of a school, and may require either a diesel particulate filter or an oxidation catalyst, depending upon engine size, if the installation is within 50 meters of a sensitive receptor. Particulate filters may also be required for Title V and major polluting facilities. For emissions requirements specific to the project for which this engine is being quoted, please contact SCAQMD at 909-396-2000. Unless otherwise listed above a DPF is not included in this proposal, please call for quotation if a DPF is required for this project."
- Caterpillar engines require a minimum of 30% load to prevent engine damage due to wet-stacking. Depending upon the permit and site specific conditions, SCAQMD emergency engine permits will only allow between 20 and 50 hours of runtime per year for non-emergency applications such as testing and exercising. Passive Diesel Particulate Filter systems depend on generator loading of a minimum of 50-60% to achieve minimum exhaust temperature threshold to keep soot regeneration and the filter backpressure within acceptable levels. If the engine will be operated consistently at low loads/low exhaust temperatures, the customer should make provisions to add load via facility operations or a load bank. Active Diesel Particulate Filter systems require no external load in order to regenerate. If listed above, Passive DPF option pricing, does not include a load bank or a load bank circuit breaker. If a load bank is needed for this project, please call for quotation.

**TERMS AND CONDITIONS****1. Acceptance of Order.**

This Quotation is for Buyer's information only and is not a valid offer to sell unless signed by an authorized representative of Seller in the place provided on the face of this Quotation. Prices, terms and conditions in an order from Buyer, which are inconsistent with the prices, terms and conditions of this Quotation, will be rejected by Seller, and are of no force and effect unless accepted in writing by Seller. Prices, delivery schedules and the scope of work on this Quotation are subject to change at Seller's discretion.

**2. Liability.**

Seller's liability on any claim of any kind, including claims for negligence, or for any loss or damage arising out of or connected with the manufacture, sale, delivery, installation, resale or use of any products covered by or furnished under any order connected with this Quotation shall be limited to those claims arising solely from the acts of Seller and Seller shall in no way be liable for any special, indirect, incidental or consequential damages. The term "consequential damages" shall include, but not be limited to, loss of anticipated profits, business interruption, loss of use, revenue, reputation and data, costs incurred, including without limitation, for capital, fuel, power and loss or damage to property or equipment. Buyer expressly acknowledges and agrees that Seller has set its prices in reliance upon the limitations of liability and other terms and conditions specified herein, which allocate the risk between Seller and Buyer and form a basis of this bargain between the parties. Any claims against Seller for shortages in shipments shall be made in writing to Seller within fifteen (15) days of receipt of shipment by Buyer. Unless otherwise provided for in writing, Seller's responsibility for shipment ceases upon delivery to carrier, and any claims for shortage, delays or damage occurring thereafter shall be made direct to carrier by Buyer. Seller shall not be liable for any delays in delivery attributable to strikes, labor disputes, lockouts, accidents, fires, delays in manufacture or in transportation, delays in delivery of component materials, floods, severe weather, or Acts of God, embargoes, governmental actions, or any other cause beyond the reasonable control of Seller. Seller shall not indemnify nor be liable to Buyer, Buyer's assigns, successors, purchasers, lessees or licensees, or to any person or entity for any claims, losses, expenses or judgments arising out of or resulting in any way from the product or integration of compatibility of the product with any other components, processes, facilities or equipment that does not comply with the equipment manufacturer(s)'s recommendations.

**3. Shipments.**

Unless otherwise specified, all risk of loss from the goods shall shift to Buyer at such time as the goods are delivered to a carrier for shipment to Buyer. Unless otherwise specified, shipment dates are approximate and all quoted prices exclude shipping costs. Shipment of goods under any order accepted by Seller shall be subject to the approval by Seller of Buyer's financial condition at the time of shipment. Whether or not terms of payment are specified elsewhere, Seller may, at its option, condition shipments under any order accepted by Seller upon receipt of satisfactory security or of cash prior to shipment. If, at Buyer's request, shipment of goods under any order accepted by Seller is delayed more than thirty (30) days after the shipment date specified in the order, or the date the goods are ready for shipment, whichever is later, Seller will require immediate payment in full and/or assess additional charges for the expenses incident to such delay.

**4. Termination.**

In the absence of a written agreement between Buyer and Seller expressing different terms and conditions as to termination, any order accepted by Seller may be terminated prior to completion by Buyer only upon written notice to Seller and payment of Seller's termination charges. If notice of termination is received by Seller after Seller has committed to buy the principal components for any order, termination charges shall include all direct and indirect costs incurred by Seller and the total profit anticipated by Seller. Additionally, Buyer's instruction to Seller to stop work for thirty (30) days during the time specified for performance in any order may be construed by Seller as the equivalent of written notice of termination from Buyer and previous stipulations will be in effect.

**5. Taxes.**

Unless expressly stated, Seller's prices do not include sales, use, excise or similar taxes, which Seller may be required to pay in filling Buyer's order. The amount of any applicable tax shall be paid by Buyer as an additional charge unless specifically included in any order accepted by Seller, or in lieu thereof, Buyer shall provide Seller with a tax exemption certificate acceptable to the taxing authorities.

**6. Patents.**

Seller shall, at its own expense, defend and save Buyer harmless from the expenses and consequences of any suit or procedure brought against Buyer, based on a claim that the use or sale of goods specified in any order accepted by Seller constitutes an infringement of any United States letters of patent in existence on the date of any such order; provided Buyer promptly notifies Seller in writing of such claim and gives the necessary authorization, information and assistance for the defense of such a claim.

**7. Changes.**

Seller, and Seller's suppliers, may, at any time, without notice to Buyer, make changes (whether in design, materials, the addition of improvements, or otherwise) in any goods specified in any order accepted by Seller without incurring any obligation of any kind as a result thereof, but only to the extent that such change does not cause the goods specified to fail to meet Buyer's requirements. Buyer may, in its order, provide for changes in its requirements with provision for a corresponding equitable change in the price, if any; but in no instance shall Buyer make changes, which are substantially different from the scope of the original order accepted by Seller.

**8. Export Sales.**

In the event the goods and services specified in any order accepted by Seller are for export, the Buyer shall be responsible for securing export, import and other licenses or authorizations as may be required. The conditions specified in this Section apply to all export transactions. This transaction is only for the sale of the equipment requested and detailed in this Quotation. Not included is any startup assistance, field-testing, training or any other services that might be required on site. Also not included is any installation, installation audits, sea trials (if applicable), or installation materials. To ensure proper application, installation, and warranty integrity, Buyer is encouraged to contact the applicable Caterpillar Dealer for these services. The costs of these services are not included in the sale price nor will Seller be responsible for any such related costs.

**9. Permits for Equipment Design, Installation and Operation.**

As a supplier of equipment, disclaims responsibility for any and all permits or licenses necessary to design, install and operate the equipment due to zoning, air quality, environmental, safety, building or construction codes or use permits pertaining to Buyer's particular application of such equipment or any similar type of permit. Special attention should be given to the requirements of local air district rules and California Air Resources Board (CARB) regulations pertaining to permit requirements. Seller is quoting on equipment based on the specifications set forth in this Quotation. If additional equipment or engine modifications are required beyond the specifications, such as additional equipment required for compliance by a local air district or CARB, those items are not included and are the responsibility of Buyer. For example, South Coast AQMD (SCAQMD) Rule 1470 may require controls and limits on particulate matter, especially when the engine installation is within 100-meters from a school, or within 50 meters of a sensitive receptor (defined in Rule 1470). Ultra low sulfur fuel is required for particulate filters. CARB Diesel Fuel, or other CARB-approved alternative fuel, is also required for compression ignition (CI) engines operated in California. When indicated in the bill of materials, the proposed equipment may be SCAQMD pre-approved as Certified Equipment. This certification does not eliminate the permit process or responsibility of others to obtain a permit. Procurement of certified equipment assures permitability, reduces the permit processing fees and reduces the time necessary to obtain the permit through SCAQMD.

**10. Start-up, Commissioning and Operating Requirements.**

Equipment provided in this Quotation may require start-up and commissioning, including inspection(s), to ensure the equipment is installed in accordance with manufacturer(s)'s recommendations and specifications. If Seller has commissioned the equipment, Buyer agrees not to modify the design or components of the installation such that the modifications would violate any legal requirements of the installation, or would cause the installation to deviate from manufacturer(s)'s recommendations and specifications. Buyer acknowledges and agrees that, with respect to products sold to Buyer in connection with this Quotation, Buyer shall have the sole responsibility to ensure the products are properly installed, operated and maintained in accordance with the manufacturer(s)'s recommendations and specifications, and to determine and



# QUOTATION

NO. 230468

3500 Shepherd Street, City of Industry, California 90601  
Box 226789, Los Angeles, California 90022-0744  
(562) 463-6000 Fax: (562) 463-7156

Date: August 11, 2023

Page: 5 of 6

comply with all applicable Federal, state, local and regulated use restrictions and requirements, including, without limitation, the continuing responsibility to ensure that the use of product is in full compliance with all applicable environmental laws and regulations. Failure to install, operate and maintain the products in accordance with the manufacturer(s)'s recommendations and specifications will invalidate any applicable manufacturer's warranty.

**11. Additional material.**

Only those items listed in this Quotation are included with any order. For example, unless specifically identified in this Quotation, the following items are not included with any purchased equipment: any exhaust or fuel piping, main fuel tank, fuel, duct work, special tools, insulation, wiring, cable, bus duct, concrete, anchor bolts, rigging or any material or labor incidental to the installation itself. Buyer specifically assumes responsibility for the provision of any such items if not specifically identified in the Quotation.

**12. Hours of services.**

When included, delivery, startup assistance, field testing, training or any other services required on site will be provided during the normal weekday working hours of 7:00 am to 4:30 pm. Delivery or services occurring at any other time, weekends or holidays is subject to premium charges.

**13. Warranty.**

The equipment manufacturer's warranty is the only warranty provided in connection with the equipment described in this Quotation. Buyer is responsible for operating and maintaining the equipment as specified by the manufacturer. The manufacturer's warranties are exclusive and in lieu of all other warranties either oral or written, express or implied, including but not limited to any warranty of merchantability or fitness for a particular purpose. Seller is not a manufacturer and makes no warranty and shall not, under any circumstances, be liable for any indirect or special, incidental or consequential damages including but not limited to loss of production, loss of profit, loss of use or business interruption, or any other economic loss, whether arising from contract, tort, strict liability or any other theory of law. Buyer, Buyer's assigns, successors, purchasers or any other person designated to operate the equipment as the end user, is responsible for operating the equipment in accordance with manufacturer(s)'s recommendations and specifications. Failure to perform all scheduled maintenance may result in damage to the equipment, and may be grounds to deny warranty coverage.

**14. Terms.**

Terms of payment are due upon receipt of invoice with no deductions of any kind for retentions, setoffs, discounts or other similar items. A finance charge of 1.5% per month (not to exceed the maximum allowed by law) will be charged on all past due invoices. When necessary Seller will file a California "Preliminary 20-day notice" pursuant to Section 3097 of the California Civil Code.

**15. Cost additives.**

**A: Unit Cost.**

Quotation prices are valid for 30 days only and are based on current market prices as of date of quotation. The Seller reserves the right to adjust the final invoice with a price escalation up to 6% due to 1) purchase orders being received after expiration of quotation, 2) fluctuations in raw materials market prices at time of order, 3) labor rate increases at time of scheduled field services, 4) delays in submittal approvals and/or release of equipment or 5) additional items or services provided that were not included as part of the original quotation. Since final invoicing can and may take place up to a year or more from original quotation date.

**B: Delays.**

If delivery is delayed by customer Buyer beyond original shipment date, purchase price is due 30 days after original shipment date and a storage and handling charge will be applied and is due each month until delivery. Finance charge of 1.5% per month (not to exceed the maximum allowed by law) is applicable on any amounts arising hereunder or in connection herewith that are not paid when due.

**C: Start up.**

If construction of the facility or other delays are experienced or expected, which prohibit the initial startup of the equipment beyond one year from delivery additional costs may be imposed including, but not be limited to, long term storage preparation, inspection charges, parts, service, etc.

**16. Lead Times.**

Lead times are based on manufactures estimated timetables. Project completion time may vary due to delays in receipt of purchase orders, submittal approval, release of equipment, manufactures unforeseen delays in production or holiday schedules. Project completion time frame cannot be guaranteed. Back orders will be processed as soon as available. Part number changes may be made to provide latest improved interchangeable items of equipment.

**17. Governing Law and Venue.**

The rights and obligations of the parties with respect to the transactions contemplated by this Quotation shall be governed in all respects by the laws of the State of California. The parties hereto irrevocably agree that the exclusive venue for any litigation arising in connection with the transactions specified in this Quotation shall be in the courts located in the County of Los Angeles, California.

**18. Attorneys' Fees and Costs.**

In the event of any legal action, controversy, claim, or dispute between the parties involving the transactions contemplated by this Quotation, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs.

**19. Additional Conditions.**

Buyer shall furnish to Seller, at no cost, suitable working space, storage space, adequate heat, telephone, light, ventilation, regulated electric power and outlets for testing purposes (if applicable). The facilities shall be within a reasonable distance from where any applicable services are to be provided. Seller and its representatives shall have full and free access to the equipment in order to provide any applicable services. Buyer shall provide the means to shut-off and secure electric power to the equipment and provide safe working conditions. Buyer shall not require Seller or its employees, as a condition to site access or otherwise, to further agree or enter into any agreement, which waives, releases, indemnifies or otherwise limits or expands any rights or obligation whatsoever. Any such agreements shall be null and void. Seller is under no obligation to remove or dispose of parts or equipment unless specifically agreed upon in Seller's scope of work. Seller-removed parts become the property of Seller. Seller must not perform any electrical power switching unless specifically requested by Buyer, under the supervision of Buyer, and subject to procedures jointly agreed to in advance. Notwithstanding Buyer's request, Seller may refuse to perform power switching, if in the opinion of Seller, such action would be unsafe. IN THE EVENT THAT SELLER PERFORMS POWER SWITCHING, TO THE FULLEST EXTENT PERMITTED BY LAW, BUYER SHALL INDEMNIFY, DEFEND, AND HOLD SELLER HARMLESS FROM ANY AND ALL LIABILITY, ACTIONS, SUITS, CLAIMS, DEMANDS, DAMAGES, COSTS, AND EXPENSES ("LOSSES") ARISING OUT OF OR IN ANY WAY CONNECTED WITH OR RESULTING FROM SELLER'S PERFORMANCE OF POWER SWITCHING, REGARDLESS OF WHETHER THE LOSSES RESULT FROM SELLER'S NEGLIGENCE (WHETHER ACTIVE OR PASSIVE, AND WHETHER SOLE, JOINT, OR CONCURRENT), AND EVEN THOUGH CAUSED IN WHOLE OR IN PART BY A PRE-EXISTING DEFECT, STRICT LIABILITY, OR OTHER LEGAL FAULT OF SELLER. THIS INDEMNITY SHALL APPLY TO ANY ACTS OR OMISSIONS OR NEGLIGENT CONDUCT, WHETHER ACTIVE OR PASSIVE, ON THE PART OF EITHER SELLER OR BUYER. If OSHA or any other federal, state or local government, trade association, or contractual regulations or standards require a "safety person" to be on site during the performance of services, or in the event of a trade union jurisdictional dispute where trade union represented personnel are required to assist or stand by during the performance of services by Seller, Buyer shall be responsible for providing for and paying for any charge or wages for such person(s), as applicable. Buyer shall immediately inform Seller, in writing, at the time of order placement and thereafter, of any unsafe or hazardous substance or condition at the site, including, but not limited to, the presence of asbestos or asbestos-containing materials, and shall provide Seller with any applicable Material Data Safety Sheets regarding the same. Any losses, costs, damages, claims and expenses incurred by Seller as a result of Buyer's failure to advise Seller shall be borne by Buyer. Seller, in its sole discretion and without cost or penalty, reserves the right to cancel its performance under this Agreement or any order immediately upon written notice to Buyer following Seller's discovery of unsafe or hazardous site substance or condition or any other circumstance altering Seller performance of Services. Buyer shall appoint a representative familiar with the site and the nature of the Services to be performed by Seller to be accessible at all times that Seller personnel are at the site. Seller shall not be liable for any expenses incurred by Buyer in removing, replacing or refurbishing any Buyer equipment or any part of Buyer's building structure that restricts Seller's access. Buyer's personnel shall cooperate with and provide all necessary assistance to Seller. Seller shall not be liable or responsible for any work performed by Buyer.

**ACCEPTED BY:**

**By:** \_\_\_\_\_

**Company:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**P.O. #:** \_\_\_\_\_

**SUBMITTED BY:**

**By:** Cameron Early

**Quinn Power Systems**

**Phone:** 949 395 1127



3500 Shepherd Street, City of Industry, California 90601  
Box 226789, Los Angeles, California 90022-0744  
(562) 463-6000 Fax: (562) 463-7156

# QUOTATION

NO. 230468

Date: August 11, 2023

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August 10, 2023

To

South Orange County Wastewater Authority  
 34156 DEL OBISPO ST  
 DANA POINT California 92629-2916

Prepared by

Paul van Niekerk  
 +1 9493009835  
 paul.vanniekerk@cummins.com

We are pleased to provide you this quotation based on your inquiry.

Item	Description	Qty	Extended Price
	<u>GENERATOR SET</u>		
1	250kW Load Bank + Upfit	1	
2	Custom Sound Attenuated Enclosure Approx. 62 dBA @ 23 ft	1	
3	C500N6B - 500kW Natural Gas Generator	1	
4	Gen Starting Batteries	1	
			SUB TOTAL: \$ 449,909.46 (Sub Total for GENERATOR SET)
	<u>MISCELLANEOUS</u>		
1	Witness Test Est.	1	
2	Freight & other charges	1	
3	Service - start up & testing	1	
4	Spare Parts	1	
5	Batt Chrgr-Stand Alone-15A(12V)/12A(24V)-120V-240V	1	
			SUB TOTAL: \$ 100,090.54 (Sub Total for MISCELLANEOUS)

**TOTAL: \$ 550,000.00**

OPTIONS:

ADDER:

1) Remote panel for load bank control: \$7,200.

Quote value does not include any tax.

EXCEPTIONS AND CLARIFICATIONS:

This quote is based on Sheet E114 dated May 2023 and Specification section 16620 with the following Clarifications and Exceptions:

1. Freight does not include loading / off-loading.
2. 3rd party testing is not included.
3. Fuel is not included.
4. Installation is not included.
5. Permitting and or permitting fees are not included.

1.09.A Warranty is 5 years parts, labor, travel.

1.03 & 1.06 O&M Manuals will be provided in accordance with spec sections.



3.02.D Trips are included in Start up and Commissioning. Minimum 5 Days as called out in spec section.  
Load Bank is 250kW Radiator Cooled.

3.03.A.3.h Resistive load bank for testing is quoted, not reactive. if a reactive load bank is required please request additional pricing.

3.03.A.1.a Witness testing does not include food, travel, lodging.

Please feel free to contact me if you require any additional information; or if you have any further questions or concerns that I may be of assistance with.

Thank you for choosing Cummins.

Submitted by:

Paul van Niekerk, Territory Manager  
[paul.vanniekerk@cummins.com](mailto:paul.vanniekerk@cummins.com)  
+1 9493009835

SUBMITTALS. An order for the equipment covered by this quotation will be accepted on a hold for release basis. Your order will not be released and scheduled for production until written approval to proceed is received in our office. Such submittal approval shall constitute acceptance of the terms and conditions of this quotation unless the parties otherwise agree in writing.

THERE ARE ADDITIONAL CONTRACT TERMS AND CONDITIONS ATTACHED TO THIS QUOTATION, INCLUDING LIMITATIONS OF WARRANTIES AND LIABILITIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN. BY ACCEPTING THIS QUOTATION, CUSTOMER ACKNOWLEDGES THAT THE CONTRACT TERMS AND CONDITIONS HAVE BEEN READ, FULLY UNDERSTOOD AND ACCEPTED.

---

Authorized Signature

---

Date

---

Company Name

---

Printed Name & Title

---

Purchase Order No

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## TERMS AND CONDITIONS FOR SALE OF POWER GENERATION EQUIPMENT

These Terms and Conditions for Sale of Power Generation Equipment, together with the quote (“Quote”), sales order (“Sales Order”), and/or credit application (“Credit Application”) on the front side or attached hereto, are hereinafter collectively referred to as this “Agreement” and shall constitute the entire agreement between the customer identified in the Quote (“Customer”) and Cummins Inc. (“Cummins”) and supersede any previous representation, statements, agreements or understanding (oral or written) between the parties with respect to the subject matter of this Agreement. Customer shall be deemed to have made an unqualified acceptance of these Terms and Conditions and it shall become a binding agreement between the parties on the earliest of the following to occur: (i) Cummins’ receipt of Customer’s purchase order or purchase order number; (ii) Customer’s signing or acknowledgment of this Agreement; (iii) Cummins’ release of equipment to production pursuant to Customer’s oral or written instruction or direction; (iv) Customer’s payment of any amounts due to Cummins; or (v) any other event constituting acceptance under applicable law. No prior inconsistent course of dealing, course of performance, or usage of trade, if any, constitutes a waiver of, or serves to explain or interpret, the Terms and Conditions set forth in this Agreement. Electronic transactions between Customer and Cummins will be solely governed by the Terms and Conditions of this Agreement, and any terms and conditions on Customer’s website or other internet site will be null and void and of no legal effect on Cummins. In the event Customer delivers, references, incorporates by reference, or produces any purchase order or document, specifications, agreement (whether upstream or otherwise), or any other terms and conditions related thereto, then such specifications, terms, document, or other agreement: (i) shall be null and void and of no legal effect on Cummins, and (ii) this Agreement shall remain the governing terms of the transaction.

**1. SCOPE.** Cummins shall supply power generation equipment and any related parts, materials and/or services expressly identified in this Agreement (collectively, “Equipment”). No additional services, parts or materials are included in this Agreement unless mutually agreed upon by the parties in writing. A Sales Order for Equipment is accepted on a hold for release basis. The Sales Order will not be released and scheduled for production until written approval to proceed is received from Customer. A Quote is limited to the plans and specifications section specifically referenced in the Quote. No other sections shall apply. Additional requirements for administrative items may require additional costs. The Quote does not include off unit wiring, off unit plumbing, offloading, rigging, installation, exhaust insulation or fuel, unless otherwise stated and mutually agreed to in writing by the parties. Unless otherwise agreed by Cummins in writing, this Quote is valid for a maximum period of thirty (30) days from the date appearing on the first page of this Quote (“Quote Validation Period”). At the end of the Quote Validation Period, this Quote will automatically expire unless accepted by Customer prior to the end of the Quote Validation Period. The foregoing notwithstanding, in no event shall this Quote Validation Period be deemed or otherwise considered to be a firm offer period nor to establish an option contract, and Cummins hereby reserves its right to revoke or amend this Quote at any time prior to Customer’s acceptance.

**2. SHIPPING; DELIVERY; DELAYS.** Unless otherwise agreed in writing by the parties, Equipment shall be delivered FOB origin, freight prepaid to first destination. For consumer and mobile products, freight will be charged to Customer. Unless otherwise agreed to in writing by the parties, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. Cummins may deliver in installments. A reasonable storage fee, as determined in Cummins’ sole discretion, may be assessed if delivery of the Equipment is delayed, deferred, or refused by Customer. In the event Customer fails to take any or all shipments of Equipment ordered hereunder within thirty (30) days of the agreed upon delivery date, Cummins shall have the right, in its sole discretion to either (i) charge a minimum storage fee in the amount of one and one-half percent (1.5%) per month of the total quoted amount; or (ii) consider the Equipment abandoned and, subject to local laws, may (a) make the Equipment available for auction or sale to other customers or the public, or (b) otherwise use, destroy, or recycle the Equipment at Customer’s sole cost and expense. The foregoing remedies shall be without prejudice to Cummins’ right to pursue other remedies available under the law, including without limitation, recovery of costs and/or losses incurred due to the storage, auction, sale, destruction, recycling, or otherwise of the Equipment. Offloading, handling, and placement of Equipment and crane services are the responsibility of Customer and not included unless otherwise stated. All shipments are made within normal business hours, Monday through Friday. Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order and will be in effect after engineering drawings have been approved for production. Cummins shall use commercially reasonable efforts to meet estimated dates, but shall not be liable to customer or any third party for any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or any unforeseen event, circumstance, or condition beyond Cummins’ reasonable control including, but not limited to, acts of God, actions by any government authority, civil strife, fires, floods, windstorms, explosions, riots, natural disasters, embargos, wars, strikes or other labor disturbances, civil commotion, terrorism, sabotage, late delivery by Cummins’ suppliers, fuel or other energy shortages, or an inability to obtain necessary labor, materials, supplies, equipment or manufacturing facilities. *AS A RESULT OF COVID-19 RELATED EFFECTS OR INDUSTRY SUPPLY CHAIN DISRUPTIONS, TEMPORARY DELAYS IN DELIVERY, LABOR OR SERVICES FROM CUMMINS AND ITS SUB-SUPPLIERS OR SUBCONTRACTORS MAY OCCUR. AMONG OTHER FACTORS, CUMMINS’ DELIVERY OBLIGATIONS ARE SUBJECT TO CORRECT AND PUNCTUAL SUPPLY FROM OUR SUB-SUPPLIERS OR SUBCONTRACTORS, AND CUMMINS RESERVES THE RIGHT TO MAKE PARTIAL DELIVERIES OR MODIFY ITS LABOR OR SERVICE. WHILE CUMMINS SHALL MAKE COMMERCIALY REASONABLE EFFORTS TO MEET THE DELIVERY, SERVICE OR COMPLETION OBLIGATIONS SET FORTH HEREIN, SUCH DATES ARE SUBJECT TO CHANGE. IN THE EVENT DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE IS DELAYED, HOWEVER OCCASSIONED, DUE TO EVENTS BEYOND CUMMINS’ REASONABLE CONTROL, THEN THE DATE OF DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE FOR THE EQUIPMENT OR SERVICES SHALL BE EQUITABLY EXTENDED FOR A PERIOD EQUAL TO THE TIME LOST, PLUS REASONABLE RAMP-UP.*

**3. PAYMENT TERMS; CREDIT; RETAINAGE.** Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of the invoice. If Customer does not have approved credit with Cummins,

as solely determined by Cummins, payments are due in advance or at the time of supply of the Equipment. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay Cummins' costs and expenses (including reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins. Retainage is not acceptable nor binding, unless required by statute or accepted and confirmed in writing by Cummins prior to shipment. If Customer fails to make any payments to Cummins when due and payable, and such failure continues for more than sixty (60) days from the date of the invoice, or less if required by applicable law, then Cummins may, at Cummins' sole discretion and without prejudice to any other rights or remedies, either (i) terminate this Agreement; or (ii) postpone delivery of any undelivered Equipment in Cummins' possession and/or suspend its services until payment for unpaid invoices is received.

**4. TAXES; EXEMPTIONS.** Unless otherwise stated, the Quote excludes all applicable local, state and federal sales and/or use taxes, permits and licensing. Customer must provide a valid resale or exemption certificate prior to shipment of Equipment or applicable taxes will be added to the invoice.

**5. TITLE; RISK OF LOSS.** Unless otherwise agreed in writing by the parties, title and risk of loss for the Equipment shall pass to Customer upon delivery of the Equipment by Cummins to freight carrier or to Customer at pickup at Cummins' facility.

**6. INSPECTION AND ACCEPTANCE.** Customer shall inspect the Equipment upon delivery, before offloading, for damage, defects, and shortage. Any and all claims which could have been discovered by such inspection shall be deemed absolutely and unconditionally waived unless noted by Customer on the bill of lading. Where Equipment is alleged to be non-conforming or defective, written notice of defect must be given to Cummins within three (3) days from date of delivery after which time Equipment shall be deemed accepted. Cummins shall have a commercially reasonable period of time in which to correct such non-conformity or defect. If non-conformity or defect is not eliminated to Customer's reasonable satisfaction, Customer may reject the Equipment (but shall protect the Equipment until returned to Cummins) or allow Cummins another opportunity to undertake corrective action. In the event startup of the Equipment is included in the services, acceptance shall be deemed to have occurred upon successful startup.

**7. LIEN; SECURITY AGREEMENT.** Customer agrees that Cummins retains all statutory lien rights. To secure payment, Customer grants Cummins a Purchase Money Security Interest in the Equipment. If any portion of the balance is due to be paid following delivery, Customer agrees to execute and deliver such security agreement, financing statements, deed of trust and such other documents as Cummins may request from time to time in order to permit Cummins to obtain and maintain a perfected security interest in the Equipment; or in the alternative, Customer grants Cummins a power of attorney to execute and file all financing statements and other documents needed to perfect this security interest. Cummins may record this Agreement, bearing Customer's signature, or copy of this Agreement in lieu of a UCC-1, provided that it shall not constitute an admission by Cummins of the applicability or non-applicability of the UCC nor shall the failure to file this form or a UCC-1 in any way affect, alter, or invalidate any term, provision, obligation or liability under this Agreement. The security interest shall be superseded if Customer and Cummins enter into a separate security agreement for the Equipment. Prior to full payment of the balance due, Equipment will be kept at Customer's location noted in this Agreement, will not be moved without prior notice to Cummins, and is subject to inspection by Cummins at all reasonable times.

05.01.2023

**8. CANCELLATION; CHARGES.** Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. If Customer seeks to cancel all or a portion of an order placed pursuant to this Agreement, and Cummins accepts such cancellation in whole or in part, Customer shall be assessed cancellation charges as follows: (i) 10% of total order price if cancellation is received in Cummins' office after Cummins has provided submittals and prior to releasing equipment to be manufactured; (ii) 25% of total order price if cancellation is received in Cummins' office after receipt of submittal release to order, receipt of a purchase order for a generator already on order with the factory, or is asked to make any hardware changes to the equipment already on order with the factory; (iii) 50% of total order price if cancellation is received in Cummins' office sixty (60) or fewer days before the scheduled shipping date on the order; or (iv) 100% of total order price if cancellation is received in Cummins' office after the equipment has shipped from the manufacturing plant.

**9. TERMINATION.** Cummins may, at any time, terminate this Agreement for convenience upon sixty (60) days' written notice to Customer. If the Customer defaults by (i) breaching any term of this Agreement, (ii) becoming insolvent or declared bankrupt, or (iii) making an assignment for the benefit of creditors, Cummins may, upon written notice to Customer, immediately terminate this Agreement. Upon such termination for default, Cummins shall immediately cease any further performance under this Agreement, without further obligation or liability to Customer, and Customer shall pay Cummins for any Equipment or services supplied under this Agreement, in accordance with the payment terms detailed in Section 3. If a notice of termination for default has been issued and is later determined, for any reason, that the Customer was not in default, the rights and obligations of the parties shall treat the termination as a termination for convenience.

**10. MANUALS.** Unless otherwise stated, electronic submittals and electronic operation and maintenance manuals will be provided, and print copies may be available upon Customer's request at an additional cost.

**11. TRAINING; START UP SERVICES; INSTALLATION.** Startup services, load bank testing, and owner training are not provided unless otherwise stated. Site startup will be subject to the account being current and will be performed during regular Cummins business hours, Monday to Friday. Additional charges may be added for work requested to be done outside standard business hours, on weekends, or holidays. One visit is allowed unless specified otherwise in the Quote. A minimum of two-week prior notice is required to schedule site startups and will be subject to prior commitments and equipment and travel availability. A signed site check sheet confirming readiness will be required, and Cummins personnel may perform an installation audit prior to the startup being completed. Any issues identified by the installation audit shall be corrected at the Customer's expense prior to the start-up. Portable load banks

for site test (if offered in the Quote) are equipped with only 100 feet of cable. Additional lengths may be arranged at an extra cost. Cummins is not responsible for any labor or materials charged by others associated with start-up and installation of Equipment, unless previously agreed upon in writing. Supply of fuel for start-up and/or testing, fill-up of tank after start up, or change of oil is not included unless specified in the Quote. All installation/execution work at the site including, but not limited to: civil, mechanical, electrical, supply of wall thimbles, exhaust extension pipe, elbows, hangers, expansion joints, insulation and cladding materials, fuel/oil/cooling system piping, air ducts, and louvers/dampers is not included unless specified in the Quote. When an enclosure or sub-base fuel tank (or both) are supplied, the openings provided for power cable and fuel piping entries, commonly referred to as “stub-ups”, must be sealed at the site by others before commissioning. All applications, inspections and/or approvals by authorities are to be arranged by Customer.

**12. MANUFACTURER’S WARRANTY.** Equipment purchased hereunder is accompanied by an express written manufacturer’s warranty (“Warranty”) and, except as expressly provided in this Agreement, is the only warranty offered on the Equipment. A copy of the Warranty is available upon request. While this Agreement and the Warranty are intended to be read and applied in conjunction, where this Agreement and the Warranty conflict, the terms of the Warranty shall prevail.

**13. WARRANTY PROCEDURE.** Prior to the expiration of the Warranty, Customer must give notice of a warrantable failure to Cummins and deliver the defective Equipment to a Cummins location or other location authorized and designated by Cummins to make the repairs during regular business hours. Cummins shall not be liable for towing charges, maintenance items such as oil filters, belts, hoses, etc., communication expenses, meals, lodging, and incidental expenses incurred by Customer or employees of Customer, “downtime” expenses, overtime expenses, cargo damages and any business costs and losses of revenue resulting from a warrantable failure.

**14. LIMITATIONS ON WARRANTIES.**

**THE REMEDIES PROVIDED IN THE WARRANTY AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.**

The limited warranty does not cover Equipment failures resulting from: (a) inappropriate use relative to designated power rating; (b) inappropriate use relative to application guidelines; (c) inappropriate use of an EPA-SE application generator set relative to EPA’s standards; (d) normal wear and tear; (e) improper and/or unauthorized installation; (f) negligence, accidents, or misuse; (g) lack of maintenance or unauthorized or improper repair; (h) noncompliance with any Cummins published guideline or policy; (i) use of improper or contaminated fuels, coolants, or lubricants; (j) improper storage before and after commissioning; (k) owner’s delay in making Equipment available after notification of potential Equipment problem; (l) replacement parts and accessories not authorized by Cummins; (m) use of battle short mode; (n) owner or operator abuse or neglect such as: operation without adequate coolant, fuel, or lubricants; over fueling; over speeding; lack of maintenance to lubricating, fueling, cooling, or air intake systems; late servicing and maintenance; improper storage, starting, warm-up, running, or shutdown practices, or for progressive damage resulting from a defective shutdown or warning device; or (o) damage to parts, fixtures, housings, attachments and accessory items that are not part of the generating set.

**15. INDEMNITY.** Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys’ fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Equipment supplied under this Agreement (collectively, the “Claims”), where such Claims were caused or contributed to by, in whole or in part, the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered by this indemnity to its insurance carrier unless Cummins directs that the defense will be handled by Cummins’ legal counsel at Customer’s expense.

**16. LIMITATION OF LIABILITY**

**NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY (INCLUDING, WITHOUT LIMITATION, STRICT LIABILITY OR NEGLIGENCE), FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, LIQUIDATED, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY), OR IN ANY WAY RELATED TO OR ARISING FROM CUMMINS’ SUPPLY OF EQUIPMENT UNDER THIS AGREEMENT OR THE USE OR PERFORMANCE OF EQUIPMENT SUPPLIED UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS’ LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER’S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF EQUIPMENT SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER’S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN.**

**17. DEFAULT; REMEDIES.** Customer shall be in breach and default if: (a) any of the payments or amounts due under this Agreement are not paid; (b) Customer fails to comply, perform, or makes any misrepresentation relating to any of the Customer’s obligations or covenants under this Agreement; or (c) prior to full payment of the balance due, Customer ceases to do business, becomes insolvent, makes an assignment for the benefit of its creditors, appoints a receiver, commences an action for dissolution or liquidation, or

becomes subject to bankruptcy proceedings, or the Equipment is attached, levied upon, seized under legal process, is subjected to a lien or encumbrance, or transferred by operation of law or otherwise to anyone other than Cummins. Upon the occurrence of any event of Customer's default, Cummins, at its sole option and without notice, shall have the right to exercise concurrently or separately any one or all of the following remedies, which shall be cumulative and not alternative: (a) to declare all sums due, and to become due, under this Agreement immediately due and payable; (b) to commence legal proceedings, including collection actions and specific performance proceedings, to enforce performance by Customer of any and all provisions of this Agreement, and to be awarded damages or injunctive relief for the Customer's breach; (c) to require the Customer to deliver the Equipment to Cummins' branch specified on the face of this Agreement; (d) to exercise one or more of the rights and remedies available to a secured party under applicable law; and (e) to enter, without notice or liability or legal process, onto any premises where the Equipment may be located, using force permitted by law, and there to disconnect, remove and repossess the Equipment, the Customer having waived further right to possession after default. A waiver of any event of default by Cummins shall not be a waiver as to any other or subsequent default.

**18. CUSTOMER REPRESENTATIONS; RELIANCE.** Customer is responsible for obtaining, at its cost, permits, import licenses, and other consents in relation to the Equipment, and if requested by Cummins, Customer shall make these permits, licenses, and consents available to Cummins prior to shipment. Customer represents that it is familiar with the Equipment and understands operating instructions and agrees to perform routine maintenance services. Until the balance is paid in full, Customer shall care for the Equipment properly, maintain it in good operating condition, repair and appearance; and Customer shall use it safely and within its rated capacity and only for purpose it was designed. Even if Customer's purchase of Equipment from Cummins under this Agreement is based, in whole or in part, on specifications, technical information, drawings, or written or verbal advice of any type from third parties, Customer has sole responsibility for the accuracy, correctness and completeness of such specifications, technical information, drawings, or advice. Cummins make no warranties or representations respecting the accuracy, correctness and completeness of any specifications, technical information, drawings, advice or other information provided by Cummins. Cummins makes no warranties or representations respecting the suitability, fitness for intended use, compatibility, integration or installation of any Equipment supplied under this Agreement. Customer has sole responsibility for intended use, for installation and design and performance where it is part of a power, propulsion, or other system. Limitation of warranties and remedies and all disclaimers apply to all such technical information, drawings, or advice. Customer acknowledges and agrees by accepting delivery of the Equipment that the Equipment purchased is of the size, design, capacity and manufacture selected by the Customer, and that Customer has relied solely on its own judgment in selecting the Equipment.

**19. CONFIDENTIALITY.** Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

**20. GOVERNING LAW AND JURISDICTION.** This Agreement and all matters arising hereunder shall be governed by, interpreted, and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the federal and state courts of the State of Indiana shall have exclusive jurisdiction to settle any dispute or claim arising in connection with this Agreement or any related matter, and hereby waive any right to claim such forum would be inappropriate, including concepts of forum non conveniens.

**21. INSURANCE.** Upon Customer's request, Cummins will provide to Customer a Certificate of Insurance evidencing Cummins' relevant insurance coverage.

**22. ASSIGNMENT.** This Agreement shall be binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

**23. INTELLECTUAL PROPERTY.** Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a license or any other rights to use any of the intellectual property rights of Cummins.

**24. PRICING.** To the extent allowed by law, actual prices invoiced to Customer may vary from the price quoted at the time of order placement, as the same will be adjusted for prices prevailing on the date of shipment due to economic and market conditions at the time of shipment. Subject to local laws, Cummins reserves the right to adjust pricing on goods and services due to input and labor cost changes and/or other unforeseen circumstances beyond Cummins' control.

**25. MISCELLANEOUS.** Cummins shall be an independent contractor under this Agreement. All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in this Agreement. No amendment of this Agreement shall be valid unless it is writing and signed by an authorized representative of the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute the entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for, and

Customer has agreed to purchase of the Equipment pursuant to these Terms and Conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such Terms and Conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement. In the event Cummins incurs additional charges hereunder due to the acts or omissions of Customer, the additional charges will be passed on to the Customer, as applicable. Headings or other subdivisions of this Agreement are inserted for convenience of reference and shall not limit or affect the legal construction of any provision hereof. The Parties' rights, remedies, and obligations under this Agreement which by their nature are intended to continue beyond the termination or cancellation of this Agreement, including but not limited to the Section 16. Limitation of Liability provision contained herein, shall survive the expiration, termination, or cancellation of this Agreement.

**26. COMPLIANCE.** Customer shall comply with all laws applicable to its activities under this Agreement, including, without limitation, any and all applicable federal, state, and local anti-bribery, environmental, health, and safety laws and regulations then in effect. Customer acknowledges that the Equipment, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Equipment or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable all laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall act as the importer of record with respect to the Equipment and shall not resell, export, re-export, distribute, transfer, or dispose of the Equipment or related technology, directly or indirectly, without first obtaining all necessary written permits, consents, and authorizations and completing such formalities as may be required under such laws, rules, and regulations. In addition, Cummins has in place policies not to distribute its products for use in certain countries based on applicable laws and regulations including but not limited to UN, U.S., UK, and European Union regulations. Customer undertakes to perform its obligations under this Agreement with due regard to these policies. Strict compliance with this provision and all laws of the territory pertaining to the importation, distribution, sales, promotion and marketing of the Equipment is a material consideration for Cummins entering into this Agreement with Customer and continuing this Agreement for its term. Customer represents and warrants that it has not and shall not, directly or through any intermediary, pay, give, promise to give or offer to give anything of value to a government official or representative, a political party official, a candidate for political office, an officer or employee of a public international organization or any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities for the purposes of inducing such person to use his influence to assist Cummins in obtaining or retaining business or to benefit Cummins or any other person in any way, and will not otherwise breach any applicable laws relating to anti-bribery. Any failure by Customer to comply with these provisions will constitute a default giving Cummins the right to immediate termination of this Agreement and/or the right to elect not to recognize the warranties associated with the Equipment. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.

**27. To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this contract.**