

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

This is a multi-year agreement between the Monterey County Water Resources Agency, hereinafter called "Agency," and Power Systems Professionals, a California Corporation located at 429 Clinton Avenue, Roseville, CA 93678, hereinafter called "CONTRACTOR".

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **Employment of CONTRACTOR.** Agency hereby engages CONTRACTOR and CONTRACTOR hereby agrees to perform the services set forth in Exhibit A, in conformity with the terms of this Agreement. CONTRACTOR will complete all work in accordance with the **Scope of Work/Work Schedule set forth in Exhibit A:**

- (a) The scope of work is briefly described and outlined as follows:
Hydroelectric plant testing and engineering services.
- (b) The CONTRACTOR shall perform its services under this agreement in accordance with usual and customary care and with generally accepted practices in effect at the time the services are rendered. The CONTRACTOR and its agents and employees performing work hereunder are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required by this Agreement.
- (c) CONTRACTOR, its agents and employees shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- (d) CONTRACTOR shall furnish, at its own expense, all materials and equipment necessary to carry out the terms of this Agreement, except as otherwise provided herein. CONTRACTOR shall not use Agency premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations hereunder.

2. **Term of Agreement.** The term of this Agreement shall begin upon execution of this Agreement by CONTRACTOR and Agency, and will terminate on December 31, 2017 unless earlier terminated as provided herein.

3. **Payments to CONTRACTOR; maximum liability.** Subject to the limitations set forth herein, Agency shall pay to CONTRACTOR the amounts provided in Exhibit B. The maximum amount payable to CONTRACTOR under this contract is three thousand dollars (\$ 3,000.00).

4. Monthly Invoices by CONTRACTOR; Payment.

- (a) CONTRACTOR shall submit to Agency an invoice, in a format approved by Agency, setting forth the amounts claimed by CONTRACTOR, together with an itemized basis for such amounts, and setting forth such other pertinent information Agency may require. CONTRACTOR shall submit such invoice monthly or as agreed by Agency, but in no event shall such invoice be submitted later than 30 days after completion of CONTRACTOR's work hereunder. Agency shall certify the claim if it complies with this contract and shall promptly submit such claim to the Monterey County Auditor-Controller, who shall pay the certified amount within 30 days after receiving the invoice certified by Agency. It is understood and agreed that CONTRACTOR shall complete all work described in Exhibit A for an amount not exceeding that set forth above, notwithstanding CONTRACTOR's submission of periodic invoices.
- (b) CONTRACTOR agrees that Agency may withhold ten percent (10%) of the amount requested by CONTRACTOR from any progress payment, until such time as all goods and services are received in a manner and form acceptable to Agency.
- (c) If, as of the date of execution of this Agreement, CONTRACTOR has already received payment from Agency for work which is the subject of this Agreement, such amounts shall be deemed to have been paid under this Agreement and shall be counted toward Agency's maximum liability set forth above.
- (d) CONTRACTOR shall not be reimbursed for travel expenses unless expressly stated in this Agreement.

5. Indemnification

5.1 For purposes of the following indemnification provisions ("Indemnification Agreement"), "design professional" has the same meaning as set forth in California Civil Code section 2782.8. If any term, provision or application of this Indemnification Agreement is found to be invalid, in violation of public policy or unenforceable to any extent, such finding shall not invalidate any other term or provision of this Indemnification Agreement and such other terms and provisions shall continue in full force and effect. If there is any conflict between the terms, provisions or application of this Indemnification Agreement and the provisions of California Civil Code Sections 2782 or 2782.8, the broadest indemnity protection for the COUNTY under this Indemnity Agreement that is permitted by law shall be provided by CONTRACTOR.

5.2 Indemnification for Design Professional Services Claims:
CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claims that arise out of, or pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONTRACTOR, its employees, subCONTRACTORS, and agents in the performance of design professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

5.3 Indemnification for All Other Claims or Loss:

For any claim, loss, injury, damage, expense or liability other than claims arising out of the CONTRACTOR's performance of design professional services under this Agreement, CONTRACTOR shall indemnify, defend and hold harmless COUNTY, its governing board, directors, officers, employees, and agents against any claim for loss, injury, damage, expense or liability resulting from or alleging injury to or death of any person or loss of use of or damage to property, arising from or related to the performance of services under this Agreement by CONTRACTOR, its employees, subCONTRACTORS or agents, excepting only liability arising from the sole negligence, active negligence or willful misconduct of the COUNTY, or defect in a design furnished by the COUNTY.

6. Insurance.

6.1 Evidence of Coverage:

Prior to commencement of this Agreement, the CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the Agency's Contact, unless otherwise directed. The CONTRACTOR shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the Agency. This approval of insurance shall neither relieve nor decrease the liability of the CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

6.3 Insurance Coverage Requirements: Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent CONTRACTORS, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

☐ Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

☐ Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

☐ Modification (Justification attached; subject to approval).

6.4 Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the Agency and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the Agency shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subCONTRACTOR, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subCONTRACTOR showing each subCONTRACTOR has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the Agency, CONTRACTOR shall file certificates of insurance with the Agency's contract administrator, showing that the CONTRACTOR has in effect the

insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by Agency, annual certificates to Agency's Contract Administrator. If the certificate is not received by the expiration date, Agency shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles Agency, at its sole discretion, to terminate this Agreement immediately.

7. Maintenance of Records. CONTRACTOR shall prepare, maintain and preserve all reports and records that may be required by federal, State, and local rules and regulations relating to services performed under this Agreement. CONTRACTOR shall retain all such records for at least five years from the date of final payment, or until any litigation relating to this Agreement is concluded, whichever is later.

8. Right to Audit at Any Time. Agency officials shall have the right, at any time during regular working hours and on reasonable advance notice, to examine, monitor and audit all work performed and all records, documents, conditions, activities and procedures of CONTRACTOR or its subCONTRACTORS relating to this Agreement. Government Code Section 8546.7 provides that an audit by the State Auditor General may be performed up to three years after the final payment under any contract involving the expenditure of public funds in excess of \$10,000.

9. Confidentiality; Return of Records. CONTRACTOR and its officers, employees, agents, and subCONTRACTORS shall comply with all federal, State and local laws providing for the confidentiality of records and other information. To the extent permitted by applicable law and regulations, CONTRACTOR shall maintain confidentiality with respect to Agency's well database and other water use data. CONTRACTOR shall not disclose any confidential information received from Agency or prepared in connection with the performance of this Agreement without the express permission of Agency. CONTRACTOR shall promptly transmit to Agency all requests for disclosure of any such confidential information. CONTRACTOR shall not use any confidential information gained through the performance of this Agreement except for the purpose of carrying out CONTRACTOR's obligations hereunder. When this Agreement expires or terminates, CONTRACTOR shall return to Agency all records, which CONTRACTOR utilized or received, from Agency to perform services under this Agreement.

10. Termination. Either party may terminate this Agreement by giving written notice of termination to the other party at least thirty (30) days prior to the effective date of termination, which date shall be specified in any such notice. In the event of such termination, the amount payable hereunder shall be reduced in proportion to the services provided prior to the effective date of termination. Agency may terminate this Agreement at any time for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes, without limitation, the failure of CONTRACTOR to perform the required services at the time and in the manner provided herein. If Agency terminates this Agreement for good cause, Agency may be relieved of the payment

of any consideration to CONTRACTOR, and Agency may proceed with the work in any manner, which it deems proper. Costs incurred by Agency thereby shall be deducted from any sum due CONTRACTOR.

11. Amendments and Modifications. No modification or amendment of this agreement shall be valid unless it is set forth in writing and executed by the parties.

12. Non-discrimination. Throughout the performance of this Agreement, CONTRACTOR will not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual orientation, gender identity or any other status protected under federal, state or local law, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR shall comply fully with all federal, State and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to any target population designated herein shall not be deemed prohibited discrimination.

13. Independent CONTRACTOR. In its performance under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not an employee of Agency. No offer or obligation of employment with Agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from Agency any form of benefits accorded to employees including without limitation leave time, health insurance, workers compensation coverage, disability benefits, and retirement contributions. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including without limitation federal and State income taxes and social security arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold harmless Agency from any and all liability, which Agency may incur because of CONTRACTOR's failure to make such payments.

14. Delegation of Duties; Subcontracting. CONTRACTOR is engaged by Agency for its unique qualifications and abilities. CONTRACTOR may not, therefore, delegate any of its basic duties under this Agreement, except to the extent that delegation to CONTRACTOR's employees is contemplated herein. No work shall be subcontracted without the written consent of Agency, except as provided in this Agreement or its attachments. Notwithstanding any subcontract, CONTRACTOR shall continue to be liable to Agency for the performance of all work hereunder. CONTRACTOR shall not assign, sell, mortgage or otherwise transfer its interest or obligations in this Agreement without Agency's prior written consent.

15. Agency's Rights in Work Product. All original materials prepared by CONTRACTOR in connection with its work hereunder -- including but not limited to computer codes, customized computer routines developed using proprietary or commercial software packages, reports, documents, maps, graphs, charts, photographs and photographic negatives -- shall be the property of Agency and shall be delivered to Agency prior to final payment. CONTRACTOR may utilize any existing materials developed by CONTRACTOR prior to commencement of work under this Agreement, which materials shall remain the property of CONTRACTOR.

16. Compliance with Terms of Federal or State Grant. If any part of this Agreement has been or will be funded pursuant to a grant from the federal or State government in which Agency is the grantee, CONTRACTOR shall comply with all provisions of such grant applicable to CONTRACTOR's work hereunder, and said provisions shall be deemed a part of this Agreement as though fully set forth herein.

17. Conflict of Interest. CONTRACTOR warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.

18. Governing Laws. This Agreement is entered into in the County of Monterey, State of California, and shall be construed and enforced in accordance with the laws of the State of California. The parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.

19. Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

20. Construction of Agreement. The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.

21. Waiver. Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.

22. Successors and Assigns. This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.

23. CONTRACTOR. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on Contractor's behalf in the performance of this Agreement.

24. Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

25. Time is of the Essence. The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.

26. Contract Administrators. CONTRACTOR's designated principal responsible for administering CONTRACTOR's work under this Agreement shall be Mr. Jimmy Burmeister; Agency's designated administrator of this Agreement shall be Mr. Chris Moss.

27. Notices. Notices required under this Agreement shall be delivered personally or by electronic facsimile, or by first class or certified mail with postage prepaid. Notice shall be deemed effective upon personal delivery or facsimile transmission, or on the third day after deposit with the U.S. Postal Service. CONTRACTOR shall give Agency prompt notice of any change of address. Unless otherwise changed according to these notice provisions, notices shall be addressed as follows:

TO AGENCY

Name: Mr. Chris Moss

Address: Monterey County Water Resources Agency
P.O. Box 930 Salinas CA 93901

Telephone: 831-755-4860

Fax: 831-424-7935

E-Mail: mosscc@co.monterey.ca.us

TO CONTRACTOR

Name: Mr. Jimmy Burmeister

Address: Power Systems Professionals
429 Clinton Avenue Roseville CA 95678

Telephone: 866-642-3129

Fax: 916-367-6150

E-Mail: jburmeister@powerpros.net

28. Electronic Deliverables. Where feasible, all reports, documents and other printed information provided to the Agency pursuant to this Agreement shall be submitted in both written and Electronic formats in accordance with the specifications listed in Exhibit C.

29. Non-exclusive Agreement. This Agreement is non-exclusive and both parties reserve the right to contract with other entities for the same or similar services.

30. Execution of Agreement. Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

31. Exhibits. The following Exhibits are attached hereto and incorporated by reference:

Exhibit A – Scope of Work / Work Schedule

Exhibit B - Payment Provisions

32. Entire Agreement --As of the effective date of this Agreement, this document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.

MONTEREY COUNTY WATER RESOURCES AGENCY
AGREEMENT FOR PROFESSIONAL SERVICES
WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

IN WITNESS WHEREOF, Agency and CONTRACTOR execute this agreement as follows:

**MONTEREY COUNTY WATER
RESOURCES AGENCY**

CONTRACTOR

BY:

David E. Chardavoyne

BY:

MARTIN POTTER

David E. Chardavoyne
General Manager

Type Name: MARTIN POTTER
Title: CEO

Date:

28 March 2017

Date:

3/15/17

BY:

James G. B. ...

Type Name: James G. B. ...
Title: President / CEO

Date:


3/15/2017

MONTEREY COUNTY WATER RESOURCES AGENCY
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WITH SURVEYORS, ARCHITECTS, ENGINEERS AND/OR DESIGN PROFESSIONALS

* INSTRUCTIONS: If CONTRACTOR is a corporation (including limited liability and nonprofit corporations), the full legal name of the corporation shall be set forth together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth together with the signature of a partner with authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of his or her business, if any, and shall personally sign the Agreement.

MCWRA-Power Systems Professionals March 2017
Agreement/Amendment No # ()

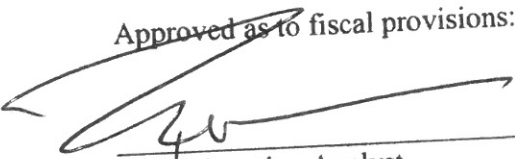
Approved as to form:



Deputy County Counsel

Dated: 3-22-17

Approved as to fiscal provisions:

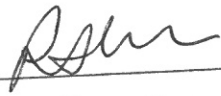


Administrative Analyst

Dated: 3-27-17

Risk Management:

Dated: _____



Auditor-Controller:

Dated: 3/23/17

EXHIBIT A

SCOPE OF WORK and WORK SCHEDULE

CONTRACTOR will review power plant operations, visually inspect plant equipment, perform particular component test(s) if needed to complete this scope of work, and recommend plant equipment testing procedures necessary to determine if equipment is fit for power generation.

Performing recommended testing procedures is not included in this scope of work.

Deliverables and Work Schedule

Deliverable shall be a letter-report containing recommended plant testing procedures. The work schedule and deliverable schedule shall be agreed upon by Agency and CONTRACTOR.

Payment shall be made in accordance with Exhibit B.

Clarifications:

It is understood that there could be factors that affect the work schedule and/or budget, such as:

- Inaccurate or incomplete drawings, plans, specifications, single-line or three line electrical plans, logic ladders, prints, diagrams, operation and maintenance manuals.
- Inaccurate or incomplete device settings for relays, transformers, breakers, UPS/battery systems, or other components.
- Discovery of problems while on-site, such as, incorrect wiring, mechanical problems, inconsistent nomenclature, conflicting drawings, control software problems, micro-processor hardware problems, mechanical breakdown, electrical breakdown, hydraulic system breakdown.
- Plant conditions while on-site, such as, availability of equipment, unexpected evacuations, unexpected power outages, crowded work areas slowing progress, unsecure work areas that require daily set-up or tear-down of safety equipment or procedures, covers or gear that require daily removal and replacement.
- Unanticipated work directives from Agency for work outside the agreed scope of services.

Agency will provide:

- Access to the Plant and any equipment necessary to complete the necessary work.
- Coordination with the Contractor to provide a safe work environment.
- Coordination and assistance with electrical switching and work-area safety clearance work.
- General work area (table, chairs, etc.) for Contractor's staff as needed.

Contractor will provide:

- Qualified, skilled specialists and technicians.
- All equipment required for interfacing with Plant equipment.
- Documentation as specified in the Scope of Work.
- Notification to Agency of problems found with recommended corrective action.

-END-

EXHIBIT B

PAYMENT PROVISIONS

Agency shall pay CONTRCATOR on a time and expense basis pursuant hourly rates in Table 1 for the scope of work described in Exhibit A.

The total amount payable to CONTRACTOR under this Agreement shall not exceed \$3,000.00.

Table 1 – Rate Schedule

The following rates apply to Time and Materials Projects unless specifically noted otherwise in an individual contract. Such rates also apply to project extras where quoted on a Time and Materials Basis.

| <u>Rate Structure</u> | | | |
|--|-----------------|-----------------|----------------|
| <u>Class or Title</u> | <u>Straight</u> | <u>Overtime</u> | <u>Premium</u> |
| Senior Engineer/Consulting | \$200.00 | \$300.00 | \$400.00 |
| Project Manager/Startup Engineer | \$200.00 | \$300.00 | \$400.00 |
| Project Engineer | \$189.00 | \$284.50 | \$378.00 |
| Power System Specialist | \$189.00 | \$284.50 | \$378.00 |
| Field Service Technician | \$176.00 | \$264.00 | \$352.00 |
| Field Data Collection for System Study | \$150.00 | \$225.00 | \$300.00 |
| CAD/Drafting/Final Drawings | \$150.00 | \$225.00 | \$300.00 |
| Support Staff/Final Test Records | \$125.00 | \$187.50 | \$250.00 |

Rate Definition

The above listed rates are negotiable for long-term projects or continuous-term annual renewable contracts.

Hourly Rates: Apply to work time, travel time and any standby time. Travel time is calculated portal-to-portal starting at the departure from the "office" to the customer's site. All travel is charged at straight time rates.

Straight Time Rates: Any 8-hour period between the hours of 6:00 am and 6:00 pm local time, Monday thru Friday.

Overtime Rates: Work, travel, and/or standby rates in excess of 8-hours but not exceeding 12-hours outside the normal straight-time working hours, holidays excluded.

Premium Rates: Work, travel, and/or standby on Sundays and Holidays and all time in excess of 12-hours on other days until there is an 8-hour break in the work schedule.

Emergency Rates: 1.5-times any applicable rate. Applies to all unscheduled work or work performed under unusual circumstances causing Power Pros to interrupt its existing schedules. Unscheduled work is work not previously scheduled at least 3-working days prior to the date required for work to commence unless agreed to in writing.

Daily Rates: Where customers specify or require daily rates for field services inclusive of living and travel expenses, a flat charge will be negotiated for all time worked per 8-hour weekday or fraction thereof (Monday

through Friday). All hours worked in excess of eight hours per weekday and all hours on Saturdays, Sundays and holidays, will be billed at the applicable hourly overtime rates. Charges for living and travel expenses will be billed at cost plus 10 percent.

Power Pros reserves the right to blend third party labor where possible/practical to augment service personnel to support project schedules, milestones, specified dates, and deadlines.

Expenses

Travel: All travel and living expenses will be invoiced at cost plus 10 percent and will be based on the acceptable guidelines of GSA per diem rates. Mileage is charged at the IRS Standard Mileage Rate in effect at the time of travel.

Specialized Tools and Test Equipment: Small tools not normally required or carried by Power Pros will be invoiced at cost. Specialized test equipment will be invoiced at current rental rates when required.

Material Markup: Out-source-material cost will be marked-up at 10 percent.

Notes

The above rates apply to work performed in the United States excluding the Alaskan North Slope.

All rates and calculations are per service individual.

Minimum Field Service Billing: One-half workday or less – 4 hours. Over one-half workday – 8 hours.

Standby Time: When service personnel are on the job site but are unable to perform services requested due to circumstances beyond Power Pros control, the customer will be charged the applicable hourly or daily rates.

Promise

Power Pros ultimate goal is to provide high-end services that meet or exceed expectations; and in doing so develop loyal and lifetime customers.

END