**Natividad** MEDICAL CENTER

**County of Monterey Agreement for Services**
**(Not to Exceed $100,000)**

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "NMC"), and **San Jose Boiler Works Inc.,** hereinafter "CONTRACTOR (collectively, the County and CONTRACTOR are referred to as the "Parties.").

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

**GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED**; NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of the Agreement. The services are generally described as follows: **Preventative Maintenance and Repair Services for Steam, Domestic Hot Water, and Heating Boilers.**

**PAYMENTS BY NMC**; NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of $66,428.75.

**TERM OF AGREEMENT**; the term of this Agreement is from July 1, 2015 through September 30, 2017 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

NMC reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

**SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS**; the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

**Exhibit A:** Scope of Services/Payment Provisions

## 1. PERFORMANCE STANDARDS:

1.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.

1.2. CONTRACTOR, its agents, employees, and subcontractors 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.

1.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 2. PAYMENT CONDITIONS:

2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. NMC (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.

2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.

2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

## 3. TERMINATION:

3.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

3.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

## 4. INDEMNIFICATION:

4.1. CONTRACTOR shall indemnify, defend, and hold harmless NMC (hereinafter "County"), its officers, agents and employees from any claim, liability, loss injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The CONTRACTOR shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the County under this Agreement.

## 5. INSURANCE:

5.1. Evidence of Coverage:

5.1.1. 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.

5.1.2. 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.

5.1.3. This verification of coverage shall be sent to NMC's Contracts/Purchasing Department, 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 NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

5.2. 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 NMC's Contracts/Purchasing Director.

5.3. 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:

5.4. 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.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

☐ Exemption/Modification (Justification attached; subject to approval)

5.5. 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 $500,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

☐ Exemption/Modification (Justification attached; subject to approval)

5.6. Workers' Compensation Insurance, If CONTRACTOR employs other 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.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

☐ Exemption/Modification (Justification attached; subject to approval)

5.7. 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.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

☐ Exemption/Modification (Justification attached; subject to approval)

**6. Other Insurance Requirements:**

6.1. All insurance required by this Agreement shall be with a company acceptable to NMC 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.

6.2. Each liability policy shall provide that NMC 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 insured 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.

6.3. **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.**

6.4. Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, 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.

6.5. 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 NMC, annual certificates

to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC 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 NMC, at its sole discretion, to terminate the Agreement immediately.

## 7. RECORDS AND CONFIDENTIALITY:

7.1. Confidentiality: CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.

7.2. NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.

7.3. Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

7.4. Access to and Audit of Records: NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or $10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.

8. Royalties and Inventions: NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.

9. Non-Discrimination: During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, 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 and any subcontractor shall, in the performance of this Agreement, full comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.

11. Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including 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 NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.

12. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below.

| **NATIVIDAD MEDICAL CENTER:** | **CONTRACTOR:** |
|---|---|
| Natividad medical Center<br>Attn: Contracts Division<br>Natividad Medical Center<br>1441Constitution Blvd<br>Salinas, CA. 93906<br>FAX: 831-757-2592 | Name: San Jose Boiler Works Inc.<br>Attn: Garen Edwards<br>Address: 1585 Schallenberger Road<br>City, State, Zip: San Jose, CA 95131<br>FAX: 408-295-6365<br>Email: garen@sanjoseboiler.com |

**MISCELLANEOUS PROVISIONS:**

13.1 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.

13.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.

13.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

13.4 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.

13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.

13.6 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

13.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, 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.

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

13.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.

13.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.

13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.

13.12 Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

13.13 Construction of Agreement. NMC and CONTRACTOR 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 amendment to this Agreement.

13.14 Counterparts. 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.

13.15 Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.

13.16 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.

*Signature Page to follow*

**NATIVIDAD MEDICAL CENTER**

By: _____
Gary R. Gray, DO, Interim CEO

Date: 4/20/15

**APPROVED AS TO LEGAL PROVISIONS**

By: _____
Monterey County Deputy County Counsel

Date: April 14, 2015

**APPROVED AS TO FISCAL PROVISIONS**

By: _____
Monterey County Deputy Auditor/Controller

Date: 4-16-15

**CONTRACTOR**

San Jose Boiler Works
Contractor's Business Name*** (see instructions)

_____
Signature of Chair, President, or Vice-President

Ryan Connolly Vice President
Name and Title

Date: 3/31/15

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Steve Ocampo, President
Name and Title

Date: 4/1/15

***Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).
If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).
If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

**To Agreement by and between**
**NATIVIDAD MEDICAL CENTER, hereinafter referred to as "NMC"**
**AND**
**San Jose Boiler Works Inc., hereinafter referred to as "CONTRACTOR"**

# Scope of Work / Payment Provisions

## A. Description of All Services to be Rendered by CONTRACTOR:

- CONTRACTOR shall provide maintenance and repair services, including a standing one time annual preventive maintenance service visit to ensure that boiler equipment stays up and running. Annual preventive maintenance includes a thorough system inspection and replacement of certain components. Typical annual maintenance includes opening of the boiler and inspection and cleaning of the fire side and water side of the tubes, inspection and cleaning of burners, inspection and minor maintenance of refractory, closing of the boiler and replacement of gaskets, check of controls and proper operation and combustion checks and tuning. CONCTRACTOR may be required to come on-site to NMC for emergency repair services.

- CONTRACTOR shall provide all repair and troubleshooting services on-site of NMC CAMPUS and may work on the following NMC systems in addition to the annual boiler service:

  a. Heating Hot Water System
  b. High Pressure Steam System
  c. Domestic Hot Water Systems
  d. Low Pressure Steam Systems

## B. CONTRACTOR Obligations:

- CONTRACTOR shall ensure annual preventative maintenance will be completed on a timely manner along with any approved necessary repair along with any approved necessary repairs.
- CONTRACTOR shall ensure emergency repair services will be completed on a timely manner.
- CONTRACTOR shall include fireside cleaning during annual preventative maintenance which includes:
  - Open fireside access doors and openings for full access to fireside surfaces to be cleaned.
  - Vacuum clean all fireside surfaces including flues, tubes, tube sheets, breechings, as necessary.
  - Clean the inside of the tubes on firetube boilers using an air turbine reamer wherever possible in conjunction with an industrial trailer vacuum, if needed. All efforts shall be made to avoid flushing the fireside surfaces with water to clean the fireside. Other methods of cleaning can be used if space and location prohibit the use of a trailer vacuum.
  - Inspect and report the condition of the fireside brickwork and insulation materials.
  - Report any abnormalities or questionable conditions found regarding the fireside of the boiler.
  - Washcoat fireside brickwork with high temperature refractory coating, when appropriate. Use of refractory cement is not acceptable.
  - Replace fireside gaskets, when appropriate.

- Leave fireside open for inspection or repairs if necessary.
- Seal and close fireside of boiler using new sealing materials where applicable.

- CONTRACTOR shall include waterside cleaning during annual preventative maintenance which includes:
  - Drain and open waterside of boiler, including all manhole and handhole openings, when applicable.
  - Open all float chambers, including removing low water float and probe controls for inspection.
  - Remove pipe plugs in low water control piping and control line piping, where appropriate.
  - Flush out waterside to remove normal amounts of accumulated scale, sludge, or mud that may be in the boiler, low water float chambers, or control piping. If accumulation is excessive (beyond normal levels expected to be found in a boiler maintained with good boiler operating practices), the Purchaser will be notified and if desired, the additional (beyond normal) flushing work will be performed under a separate order.
  - Inspect waterside and report any abnormalities, questionable or unfavorable conditions including signs of leakage, scale, pitting, or poor sealing surfaces.
  - Clean and flush make-up and/or feedwater pump strainers when applicable.
  - Drain the expansion tank when applicable.
  - Leave waterside of boiler open for inspection or repairs if necessary.
  - Close waterside of boiler using new gaskets.
  - Install new gauge glass and gaskets where applicable.
  - Contact boiler operator to add the proper amount of boiler treatment for summer storage when applicable.
  - Fill waterside of boiler

- CONTRACTOR shall include burner/boiler checkout during annual preventative maintenance which includes:

  - Remove and clean burner drawer and pilot assembly.
  - Clean burner air damper and air intake.
  - Check pilot electrode for cracks and adjust electrode setting.
  - Check packing material in air/oil receiving tank, if applicable; replace if necessary and fill with new oil.
  - Clean lube-oil screen and filter if applicable.
  - Check oil pump V-belt if applicable and replace if necessary.
  - Remove fuel oil strainer/filter if applicable and clean or replace.
  - Inspect and report condition of any questionable burner or safety control components or devices.
  - Install cleaned burner drawer back in the burner.
  - Fire and properly warm up boiler.
  - Check and record burner combustion efficiency on gas and oil fuels and adjust for best possible efficiency. If boiler summer load conditions prevent performing proper combustion check out, Provider shall return at the start of the heating season to provide a complete combustion check out. This return trip to check out and adjust boiler combustion shall be provided at no charge and is to be considered part of the cleaning service.
  - Combustion readings shall be obtained using an electronic combustion analyzer.
  - Combustion readings shall be taken and recorded throughout the boiler's firing range and shall include; Oxygen (O2) level, fuel pressures, combustion efficiency, carbon monoxide (CO) level, and stack temperature.

- Check and record the operation of all boiler safety control readings including burner limit controls and interlock switches.
- Check and record the operation of the flame safeguard readings and safety timings.
- Fire boiler until it shuts off on pressure/temperature and insure that the unit will restart.
- Flood boiler for summer storage if applicable.
- Check all handhole/manhole plates for leaks.
- Check all blowdown/drain valves and control piping for leaks.
- Check oil, gas, and air lines for leaks.
- Check fireside seals for leaks.
- Complete detailed boiler cleaning "check off sheet" indicating work performed and all combustion readings and submit to the Purchaser.

- CONTRACTOR shall ensure repairs will be completed anywhere from 5 days to 7 days business days upon evaluation of repairs.
- CONTRACTOR shall repair and replace parts only upon prior approval by NMC.
- Any and all repairs to boilers will take place on-site of NMC CAMPUS.
- Additional work outside of annual preventative maintenance will be billed separately and additionally only with NMC's prior knowledge and permission.
- CONTRACTOR shall provide a written report when necessary indicating recommendations for repairs or replacement parts when a questionable condition is discovered. Report shall address safety, reliability, and usability concerns of the boiler or associated devices and equipment.
- CONTRACTOR shall leave the job site free of soot, waste, and debris generated from the boiler cleaning. All waste materials shall be disposed of in waste receptacles, provided by NMC, in the boiler room. Job site shall be left in the same condition as was present prior to cleaning.
- Unless noted prior to CONTRACTOR by NMC, all cleaning shall take place between the hours of 7:30 AM and 4:00 PM during normal work days, Monday through Friday, excluding holidays. If the cleaning bid includes work to be done during overtime hours or during hours other than those noted above at the request of the Purchaser, the CONTRACTOR obtain approval prior to arriving on-site of NMC CAMPUS of those hours in which the cleaning will take place.
- CONTRACTOR shall own and maintain equipment designed for use in cleaning boilers. All vacuums shall have a filtering system designed for use with soot and refractory debris. Commercial wet/dry vacuums are not acceptable.
- CONTRACTOR shall, if requested by NMC, schedule necessary annual boiler insurance inspections as required by state codes and regulations.

## C. NMC Obligations:

- NMC shall provide receptacles for waste disposal
- NMC shall pay an amount not to exceed **$66,428.75** for the performance of work as set forth in the Scope of Services.

## D. Pricing/Fees:

- There shall be no travel reimbursement allowed during this Agreement.
- Prevailing Wages: CONTRACTOR shall comply with provisions of the California Labor Code (Sections 1720 et seq.) governing public works, including the payment of prevailing wages, payroll records and employment of apprentices. Copies of the determination of the general prevailing rate of per diem wages are available to interested parties at: http:/www.dir.ca.gov/OPRL/dprewageddetermination.htm.

- CONTRACTORS pricing for one-time annual maintenance and cleaning includes labor and materials of annual maintenance.
- CONTRACTOR to submit invoices upon completion of deliverables.
- NMC may, in its sole discretion, terminate the contract or withhold payments claimed by the CONTRACTOR for services rendered if CONTRACTOR fails to satisfactorily comply with any term or condition of this Agreement.
- CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.
- No payments in advance or in anticipation of services or supplies to be provided under this Agreement shall be made by NMC.
- NMC shall not pay any claims for payment of services submitted more than twelve (12) months after the calendar month in which the services were completed.
- CONTRACTOR's compensation for services rendered shall be based on the following rates:

| One-Time Annual Maintenance and Cleaning Cost Breakout | | | | |
|---|---|---|---|---|
| Annual Cost | Annual Tax Estimate | Annual Total Cost | Number of Years | Total Annual Costs |
| $21,500.00 | 9.125% | $23,461.88 | 2 | $46,923.75 |

| Estimated Labor Rates for services other then one-time annual maintenance and cleaning | | | |
|---|---|---|---|
| Hourly Rate | | Average Number of Hours | Total Hours Costs |
| $179.00 | per hour for "straight time" – 7:30AM-4:00PM, M-F | 40 | $7,160.00 |
| $268.50 | per hour for "overtime" – 4:00PM-6:00PM, M-F | 10 | $2,685.00 |
| $358.00 | per hour for "double time" – 6:00PM-7:30AM, M-F; Sat, Sun, holid | 20 | $7,160.00 |
| | | Total | $17,005.00 |

| Estimated Parts Cost | |
|---|---|
| Parts Not Covered | $2,500.00 |

| Total Agreement Amount | |
|---|---|
| | $66,428.75 |

## San Jose Boiler Parts Examples

- Normal closing parts used to assemble the boiler after cleaning shall be included in the bid price for the boiler cleaning. These parts shall include but not be limited to; handhole/manhole gaskets, waterside gaskets, normal sealing materials to properly seal the fireside, gauge glass, gauge glass gaskets, and low water control head gaskets.