

## **Mesa Energy Systems, Inc.**

### **As-Needed and Emergency Heating, Ventilation, and Air Conditioning (HVAC) Maintenance and Repair Services**

#### **AGREEMENT FOR SERVICES #6736**

**THIS AGREEMENT**, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Mesa Energy Systems, Inc., a corporation duly qualified to conduct business in the State of California, whose principal place of business is 2 Cromwell, Irvine, California 92618, and whose local address is 3906 Kristi Court, Sacramento, California 95827 (hereinafter referred to as "Contractor");

#### **R E C I T A L S**

**WHEREAS**, County has determined that it is necessary to obtain a contractor to provide as-needed and emergency calibration, testing, reporting, routine and recurring maintenance and repair services for boiler, chiller, cooling tower, air handling and heating, ventilating, refrigeration and air conditioning systems at various County-operated facilities for the Chief Administrative Office, Facilities Division;

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, an expert, and competent to perform the special services described in ARTICLE I Scope of Work; that it is an independent and bona fide business operation, advertises and holds itself as such, is in possession of a valid business license, and is customarily engaged in an independently established business that provides similar services to others; and County relies upon those representations;

**WHEREAS**, it is the intent of the parties hereto that such services be in conformity with all applicable state and local laws and ordinances applicable to the work, including compliance with prevailing wage rates and their payment in accordance with California Labor Code, Section 1775;

**WHEREAS**, County has determined that the provision of such services provided by Contractor are in the public's best interest and that there are specialty skills, qualifications, and equipment not expressly identified in County classifications involved in the performance of the work in accordance with El Dorado County Ordinance Code, Chapter 3.13.030(b), El Dorado County Charter, Section 210(b)(6), and/or Government Code Section 31000;

**NOW, THEREFORE**, County and Contractor mutually agree as follows:

## **ARTICLE I**

**Scope of Work:** Contractor is engaged in the business of doing the services and tasks required under this Agreement, including those services and tasks that are identified in individual Work Orders issued pursuant to this Agreement, and those services and tasks that are reasonably necessary for the completion of the work identified in the Scope of Work.

Contractor shall furnish, at Contractor's own cost and expense, all personnel, equipment, materials, parts, supplies, and services necessary to provide as-needed and emergency calibration, testing, reporting, routine and recurring maintenance and repair services for boiler, chiller, cooling tower, air handling and heating, ventilating, refrigeration and air conditioning systems at various County-operated facilities. Services shall include, but not be limited to, maintenance, repair, installation, calibration and testing of valves, sensors, positioners, gaskets, motors, switches, pumps, hoses, thermometers, controllers, filters, pneumatic controls, system potential hydrogen (pH) levels and all other parts and equipment necessary to keep boiler, chiller, cooling tower, air handling and heating, ventilating, refrigeration and air conditioning systems operational.

For each as-needed work assignment, the specific services for each assignment shall be determined at a meeting, by email, or telephone conference between County's Contract Administrator and Contractor. For each work assignment, Contractor shall provide a written quote to County's Contract Administrator. Upon receipt and approval of each quote, County's Contract Administrator will issue a separate written Work Order to Contractor for each as-needed work assignment identifying the specific site where the work will be performed, the specific equipment to be serviced, a description of the work or other services to be performed, any required deliverables, including reports or other documents to be supplied in connection with the work assignment, a specific date by which the work shall be completed, and a not-to-exceed cost to complete the work. Contractor shall not commence work until receiving the written Work Order. With the exception of emergency Work Orders no payment will be made for any work performed prior to the issuance of the written Work Order. No payment will be made for any work performed prior to approval and full execution of the Work Order or beyond the earlier of the expiration date of the Work Order or expiration of the underlying Agreement, and no payment will be made for amounts in excess of the not-to-exceed amount of the Work Order.

For services performed on an emergency basis, as determined by County's Contract Administrator, authorization to perform the required services necessary to ensure that County property is protected may occur through verbal or email communication to Contractor. Any verbal or email authorization to perform emergency services under this Agreement will be confirmed to Contractor by a written Work Order, as applicable, issued by County's Contract Administrator. Contractor shall respond to all requests for emergency services with Contractor's personnel on-site within twenty-four (24) hours from the time County's Contract Administrator transmitted the verbal or email service request.

The period of performance for Work Orders shall be in accordance with dates specified in each Work Order. No payment will be made for any work performed before or after the period of performance in the Work Order, unless County's Contract Administrator and Contractor amend the Work Order. No Work Order will be written which exceeds the cumulative total of the not-to-exceed dollar amount of this Agreement. No Work Order will be written which extends beyond the expiration date of this Agreement.

Deliverables shall be submitted via electronic file and Contractor shall produce the file using Microsoft (MS) Office 2010 applications (specifically, MS Word, MS PowerPoint, and MS Excel). Signed reports shall be submitted in Adobe portable document format (PDF). All deliverables shall be submitted in the language, format and design that are compatible with and completely transferable to County's computer, and that are acceptable to County's Contract Administrator. Newer versions of software may be used and other types of software used for analytical purposes may be authorized if approved in advance of the submittal by County's Contract Administrator. Contractor shall submit all deliverables to County's Contract Administrator in accordance with completion time schedules identified in the individual Work Orders issued pursuant to this Agreement. Failure to submit the required deliverables in the format required may be grounds for termination of the Agreement, as provided in ARTICLE XXIII, Default, Termination, and Cancellation, herein.

Contractor shall perform the services and tasks required under this Agreement in a safe, professional, skillful, and workmanlike manner. Contractor is responsible for ensuring that its employees, as well as any subcontractor if applicable, perform the services and tasks required under this Agreement accordingly. All of the services performed pursuant to this Agreement, or in the individual Work Orders issued pursuant to this Agreement, are the responsibility of Contractor unless specifically described as a task or item of work to be provided by County.

## **ARTICLE II**

**Term:** This Agreement shall become effective upon final execution by both parties and shall cover the period of July 18, 2022 through July 17, 2023.

## **ARTICLE III**

**Compensation for Services:** For services provided herein, including any deliverables that may be identified in the individual Work Orders issued pursuant to this Agreement, County agrees to pay Contractor upon the satisfactory completion and County's acceptance of each work assignment in arrears. Payment shall be made within forty-five (45) days following County receipt and approval of invoices detailing the services rendered.

For the purposes hereof, the billing rates shall be in accordance with Exhibit A, marked "Rate Schedule," incorporated herein and made by reference a part hereof.

Any materials or equipment used during the performance of work under this Agreement shall be listed on the invoice which shall list the amount being charged to County for same.

The hourly rates listed in Exhibit A may be adjusted annually based on the percent change of the California Consumer Price Index Table - All Areas for "Urban Wage Earners and Clerical Workers" as reported and published on the State of California Department of Industrial Relations website (<https://www.dir.ca.gov/OPRL/capriceindex.htm>). The base value to be used for calculating rates of service price adjustments shall be the index published for the month of the formal Agreement award date, or the date of the previous price adjustment, whichever is later. Adjustments shall be calculated according to the percentage change, up or down, as reflected in the above-stated index. The new rates must be submitted at least seven (7) days prior to the anniversary date of this Agreement upon written request from Contractor and subject to prior written approval from County's Department Head or designee. Any fee increases authorized by County shall not increase the total not-to-exceed amount of the Agreement. This price adjustment process described herein shall not change for the life of the Agreement unless otherwise specified in a written amendment.

The total amount of this Agreement shall not exceed \$75,000, inclusive of all Work Orders, and amended Work Orders, costs, taxes, and expenses. It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under this Agreement through Work Orders.

Invoices shall follow the format specified by County and shall reference this Agreement number and County-supplied Work Order number both on their faces. Copies of documentation attached to invoices shall reflect Contractor's charges for the specific services billed on those invoices. Contractor shall bill County for only one (1) Work Order per invoice. Invoices shall be mailed to County at the following address:

County of El Dorado  
Chief Administrative Office  
Facilities Division  
3000 Fairlane Court, Suite One  
Placerville, California 95667

or to such other location as County directs.

In the event that Contractor fails to deliver the documents or other deliverables required by the individual Work Orders issued pursuant to this Agreement, County at its sole option may delay the payment for the period of time of the delay, cease all payments until such time as the deliverables are received, or proceed as set forth herein below in ARTICLE XXIII, Default, Termination, and Cancellation, herein.

#### **ARTICLE IV**

**Taxes:** Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

#### **ARTICLE V**

**Prevailing Wage:** County requires Contractor's services on public works project(s) involving local and/or state funds to which prevailing wage requirements may apply. As

a consequence, Contractor shall comply with all applicable state and federal prevailing wage rates, statutes, rules, and regulations then in effect. Contractor shall use the general prevailing wage rates determined by the Director of Industrial Relations for the county in which the work is to be done, which are available at the principal office of County's Chief Administrative Office, Facilities Division. Changes, if any, to the general prevailing wage rates will be available at the same location.

Future effective general prevailing wage rates which have been predetermined and are on file with the California Department of Industrial Relations are referenced but not printed in the general prevailing wage rates.

Contractor shall comply with all applicable wage requirements, as set forth in Labor Code Sections 1770 et seq., 1773.2, 1775, 1776, 1810, and 1813. In accordance with the provisions of Labor Code Section 1810, eight (8) hours of labor shall constitute a legal day's work upon all work done hereunder, and Contractor and any subcontractor authorized under this Agreement shall also conform to and be bound by the provisions of Labor Code Sections 1810 through 1815.

## **ARTICLE VI**

**Apprentices:** Attention is directed to Sections 1777.5, 1777.6, and 1777.7 of the California Labor Code and Title 8, California Code of Regulations Section 200 et seq. To ensure compliance and complete understanding of the law regarding apprentices, and specifically the required ratio thereunder, each Contractor or subcontractor should, where some question exists, contact the Division of Apprenticeship Standards, 455 Golden Gate Avenue, San Francisco, CA 94102, or one of its branch offices prior to commencement of work on this Agreement. Responsibility for compliance with this Article lies with Contractor.

It is County policy to encourage the employment and training of apprentices on public works contracts as may be permitted under local apprenticeship standards.

## **ARTICLE VII**

**Certified Payroll:** As required under the provisions of Labor Code Section 1776, Contractor and any subcontractors, if any are authorized herein, shall keep accurate payroll records as follows:

- A. The payroll records shall show the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Contractor or subcontractors in connection with the services provided under this Agreement.
- B. A certified copy of all payroll records enumerated above shall be available for inspection at all reasonable hours at the principal office of Contractor as follows:
  1. Make available or furnish to the employee or his or her authorized representative on request.

2. Make available for inspection or furnished upon request to a representative of County, the State Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the State Department of Industrial Relations.
3. Make available upon request by the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either County, the State Division of Labor Standards Enforcement, or the State Division of Apprenticeship Standards. The requesting party shall, prior to being provided the records, reimburse the costs of preparation by Contractor, subcontractor, and the entity through which the request was made. The public shall not be given access to the records at the principal office of Contractor.
4. All contractors and subcontractors must furnish electronic certified payroll records directly to the Department of Industrial Relations.

#### **ARTICLE VIII**

**Ownership of Data:** Upon completion or earlier termination of all services under this Agreement, or upon the completion or earlier termination of services provided in accordance with individual Work Orders issued pursuant to this Agreement, ownership and title to all reports, documents, plans, maps, specifications, estimates, compilations, photographs, videos, and any and all other materials or data produced or obtained as part of this Agreement will automatically be vested in County without restriction or limitation on their use, and no further agreement will be necessary to transfer ownership to County. Copies may be made for Contractor's records, but shall not be furnished to others without prior written authorization from County's Contract Administrator. Such deliverables shall be deemed works made for hire and all rights in copyright therein shall be retained by County. Contractor shall furnish County all necessary copies of data, including data stored in electronic format, needed to complete the review and approval process of the services and deliverables provided under this Agreement.

#### **ARTICLE IX**

##### **Protection of Facilities:**

- A. Contractor shall exercise care to prevent damage to the existing building, grounds, and property while performing the Work. Any damage caused as a result of Contractor's operations shall be repaired back to its original condition by Contractor at no additional cost to County.
- B. Contractor shall provide for continuous County occupancy and operation of the facility for the duration of the project.
- C. Contractor shall provide for public use, and shall limit access to the facility as directed by County's Contract Administrator.
- D. Contractor shall provide for work by other contractors and County.
- E. Contractor shall coordinate the use of the premises, including the storage of materials, tools, and equipment with County's Contract Administrator.

## **ARTICLE X**

**Safety:** Contractor shall maintain safe conditions at the jobsite for the duration of the Work for the public, County staff, and all persons performing the Work. Contractor shall comply fully with all laws, orders, citations, rules, regulations, standards, and statutes with respect to occupational health and safety, the handling and storage of hazardous materials, accident prevention, safety equipment and practices. Contractor shall be solely responsible for providing a safe place to work for its employees and for employees of its subcontractors and suppliers or material and equipment, for adequacy of and required use of all safety equipment, and for full compliance with aforesaid laws, orders, citations, rules, regulations, standards, and statutes. Other safety measures shall include, but not be limited to the following:

- A. Providing safe accessibility to all building entrances, keeping all sidewalks, active doors, corridors or other walkways, driveways, or any emergency vehicle access clear for the duration of the project.
- B. Keeping flammable rags, if applicable, in a sealed container and removing them from the site at the end of each work day.

## **ARTICLE XI**

**Registration of Contractors:** No contractor or subcontractor may bid on any public work project, be listed in a bid proposal for any public works project, or engage in the performance of any contract for public work unless registered with the Department of Industrial Relations pursuant to Labor Code sections 1725.5 and 1771.1. Public work projects are subject to compliance, monitoring, and enforcement by the Department of Industrial Relations.

Contractor shall post job site notices as prescribed by Title 8 of California Code of Regulations Section 16451.

## **ARTICLE XII**

**Records Examination and Audit Requirements:** Contractor and its subcontractors, if any are authorized hereunder, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the Agreement, including but not limited to, the costs of administering the various aspects of the Agreement. In accordance with Government Code Section 8546.7, all of the above-referenced parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three (3) years from the date that final payment by County and all other pending matters are closed. Representatives of County, the California State Auditor, and any duly authorized representative of other government agencies shall have access to any books, documents, papers, and records that are pertinent to the Agreement for audit, examination, excerpts, and transactions and copies thereof shall be furnished upon request.

## **ARTICLE XIII**

**Payment of all Federal, State, or Local Taxes:** Any federal, state, or local tax payable on the articles furnished by Contractor under this Agreement shall be included in rates quoted herein and shall be paid by Contractor.

**ARTICLE XIV**

**Compliance with all Applicable Laws:** Contractor shall conform to and abide by all applicable federal, state, and local building, labor, environmental and safety laws, ordinances, rules, and regulations. All work and materials shall be in full accordance with the latest rules and regulations of the State Fire Marshal, safety orders of the Division of Industrial Safety, California Electrical Code, California Building Code, California Plumbing Code, and any and all other applicable laws and regulations. Nothing in this Agreement, including but not limited to, any directions, plans or specifications provided to Contractor, is to be construed to permit work not conforming to these codes.

**ARTICLE XV**

**Reporting Accidents:** Contractor shall prepare and submit to County (within twenty-four [24] hours of such incidents) reports of accidents at the site and anywhere else work under this Agreement is in progress in which bodily injury is sustained or property loss in excess of five hundred dollars (\$500.00) occurs.

**ARTICLE XVI**

**Workers' Compensation:** Contractor shall comply with Labor Code Sections 3700 et seq., requiring it to obtain Workers' Compensation Insurance, and sign a certificate of knowledge thereof.

**CERTIFICATE OF KNOWLEDGE - LABOR CODE SECTION 3700**

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

Signed: *Robert A. Lake* Dated: 07/07/2022  
Robert A. Lake (Jul 7, 2022 09:51 PDT)

**ARTICLE XVII**

**Changes to Agreement:** This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

**ARTICLE XVIII**

**Contractor to County:** It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further understood that this Agreement does not create an exclusive relationship between County and Contractor, and Contractor may perform similar work or services for others. However, Contractor shall not enter into any agreement with any other party, or provide any information in any manner to any other party, that would conflict with Contractor's responsibilities or hinder Contractor's performance of services hereunder, unless County's Contract Administrator, in writing, authorizes that agreement or sharing of information.



## **ARTICLE XIX**

**Confidentiality:** Contractor shall maintain the confidentiality and privileged nature of all records, including billing records, together with any knowledge therein acquired, in accordance with all applicable state and federal laws and regulations, as they may now exist or may hereafter be amended or changed. Contractor, and all Contractor's staff, employees, and representatives, shall not use or disclose, directly, or indirectly at any time, any said confidential information, other than to County's Chief Administrative Office, Facilities Division or to such other person with County's consent for the purpose of, and in the performance of, this Agreement. This confidentiality provision shall survive after the expiration or earlier termination of this Agreement.

## **ARTICLE XX**

**Assignment and Delegation:** Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

Contractor covenants that if there is a change or transfer in ownership of Contractor's business prior to the completion of this Agreement, the new owner(s) shall be required under the terms of sale or other transfer document to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of County. Contractor further covenants that the terms of sale or other transfer document shall require notice be given to County of the change or transfer in ownership of Contractor's business within thirty (30) days of the effective date of the transfer. In the event of a sale or transfer of Contractor's business prior to the completion of this Agreement, County retains the right to terminate or cancel the contract as provided for herein, or to renegotiate the terms of the agreement, or to amend the existing Agreement.

## **ARTICLE XXI**

**Independent Contractor:** The parties intend that an independent contractor relationship will be created by this contract. Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by the terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, agents, affiliates, and subcontractors, if any are authorized herein, as they relate to the services or work to be performed under this Agreement during the course and scope of their employment by Contractor. Those persons will be entirely and exclusively under the direction, supervision, and control of Contractor.

County may designate the tasks to be performed and the results to be accomplished under this Agreement, provide information concerning the work or services, approve or disapprove the final work product and/or services provided, and set deadlines for the completion of the work or services, but County will not control or direct the manner, means, methods, or sequence in which Contractor performs the work or services for accomplishing the results. Contractor understands and agrees that Contractor lacks the authority to bind County or incur any obligations on behalf of County.

Contractor, including any subcontractor or employees of Contractor, shall not receive, nor be eligible for, any benefits County provides for its employees, including, but not limited to, vacation pay, paid holidays, life insurance, health insurance, social security, disability insurance, pension, or 457 plans. Contractor shall not receive, nor be eligible for, workers' compensation, including medical and indemnity payments. County is not responsible for withholding, and shall not withhold, Federal Income Contribution Act amounts or taxes of any kind from any payments which it owes Contractor. Contractor shall not be subject to the work schedules or vacation periods that apply to County employees.

Contractor shall be solely responsible for paying its employees, and for withholding Federal Income Contribution Act amounts and other taxes, workers' compensation, unemployment compensation, medical insurance, life insurance, or any other benefit that Contractor provides for its employees.

Contractor acknowledges that it has no authority to bind the County or incur any obligations on behalf of the County with regard to any matter, and shall not make any agreements or representations on the County's behalf.

## **ARTICLE XXII**

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment, or services not budgeted in a given year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce or order a reduction in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of County, this Agreement and any Work Orders issued pursuant to this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

## **ARTICLE XXIII**

### **Default, Termination, and Cancellation:**

A. Termination by Default: If either party becomes aware of an event of default, that party shall give written notice of said default to the party in default (notice) that shall state the following:

1. The alleged default and the applicable Agreement provision.
2. That the party in default has ten (10) days upon receiving the notice to cure the default (Time to Cure).

If the party in default does not cure the default within ten (10) days of the Time to Cure, then such party shall be in default and the party giving notice may terminate the Agreement by issuing a Notice of Termination. The party giving notice may extend the Time to Cure at their discretion. Any extension of Time to Cure must be in writing, prepared by the party in default for signature by the party giving notice, and must specify the reason(s) for the extension and the date in which the extension of Time to Cure expires.

If County terminates this Agreement, in whole or in part, for default:

1. County reserves the right to procure the goods or services, or both, similar to those terminated, from other sources and Contractor shall be liable to County for any excess costs for those goods or services. County may deduct from any payment due, or that may thereafter become due to Contractor, the excess costs to procure from an alternate source.
2. County shall pay Contractor the sum due to Contractor under this Agreement prior to termination, unless the cost of completion to County exceeds the funds remaining in the Agreement. In which case the overage shall be deducted from any sum due Contractor under this Agreement and the balance, if any, shall be paid to Contractor upon demand.
3. County may require Contractor to transfer title and deliver to County any completed work under the Agreement.

The following shall be events of default under this Agreement:

1. Failure by either party to perform in a timely and satisfactory manner any or all of its obligations under this Agreement.
2. A representation or warranty made by Contractor in this Agreement proves to have been false or misleading in any respect;
3. Contractor fails to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement,

unless County agrees, in writing, to an extension of the time to perform before that time period expires.

4. A violation of ARTICLE XXXIV, Conflict of Interest.

- B. Bankruptcy: County may terminate this Agreement immediately in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement immediately in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement or any Work Order issued pursuant to this Agreement, in whole or in part, for convenience upon thirty (30) calendar days' written Notice of Termination. If such termination is effected, County will pay for satisfactory services rendered before the effective date of termination, as set forth in the Notice of Termination provided to Contractor, and for any other services that County agrees, in writing, to be necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the Work Order or the total amount of the Agreement, as applicable. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the Notice directs otherwise. In the event of termination, County reserves the right to take over and complete the work by contract or by any other means.
- E. Sale or Transfer of Contractor's Business: In the event of a sale or transfer of Contractor's business, County retains all rights to cancel or terminate this Agreement, as provided for herein, or to renegotiate the Agreement, or to amend this Agreement.

**ARTICLE XXIV**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be in duplicate and addressed as follows:

To County:

County of El Dorado  
Chief Administrative Office  
Facilities Division  
3000 Fairlane Court, Suite One  
Placerville, California 95667

Attn.: Russell Fackrell  
Facilities Division Manager

With a copy to:

County of El Dorado  
Chief Administrative Office  
330 Fair Lane  
Placerville, California 95667

Attn.: Michele Weimer  
Procurement and Contracts Manager

or to such other location as County directs.

Notices to Contractor shall be addressed as follows:

Mesa Energy Systems, Inc.  
2 Cromwell  
Irvine, California 92618

Attn.: Robert Lake, Chief Executive Officer

or to such other location as Contractor directs.

#### **ARTICLE XXV**

**Change of Address:** In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing as provided in ARTICLE XXIV, Notice to Parties. Said notice shall become part of this Agreement upon acknowledgment in writing by County's Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

#### **ARTICLE XXVI**

**Indemnity:** To the fullest extent permitted by law, Contractor shall defend at its own expense, indemnify, and hold the County harmless, its officers, employees, agents, and volunteers, against and from any and all liability, claims, suits, losses, damages, or expenses of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the acts or omissions of Contractor or its officers, agents, or employees in rendering the services, operations, or performance hereunder, except for liability, claims, suits, losses, damages or expenses arising from the sole negligence or willful acts of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

The insurance obligations of Contractor are separate, independent obligations under the Contract Documents, and the provisions of this defense and indemnity are not intended to modify nor should they be construed as modifying or in any way limiting the insurance obligations set forth in the Contract Documents.

#### **ARTICLE XXVII**

**Insurance:** Contractor shall provide proof of a policy of insurance satisfactory to County's Risk Management Division and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.

- B. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage, including but not limited to endorsements for the following coverage: premises, personal injury, operations, products and completed operations, blanket contractual, and independent contractors' liability and a \$2,000,000 aggregate limit. County, including, without limitation, its officers, officials, employees, and volunteers shall be named as an additional insured on ISO form CG 2010 1185, or its equivalent.
- C. Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by Contractor in performance of the Agreement.
- D. In the event Contractor is a licensed professional and is performing professional services under this Agreement, Professional Liability Insurance is required with a limit of liability of not less than \$1,000,000.
- E. Contractor shall furnish a certificate of insurance satisfactory to County's Risk Management Division as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to County's Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required herein shall be in effect at all times during the term of this Agreement, inclusive of the guarantee/warranty period specified hereinbelow. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor shall immediately provide a new certificate of insurance as evidence of the required insurance coverage. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event. New certificates of insurance are subject to the approval of County's Risk Management Division, and Contractor agrees that no work or services shall be performed prior to the giving of such approval.
- H. The certificate of insurance must include the following provisions stating that:
  - 1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County; and
  - 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.

- I. Contractor's insurance coverage shall be primary insurance in respect to County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to, and approved, by County. At the option of County, either: The insurer shall reduce or eliminate such deductibles or self-insured retentions in respect to County, its officers, officials, employees, and volunteers; or Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to County, its officers, officials, employees, or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive the expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. The certificate of insurance shall meet such additional standards as may be determined by the contracting County department, either independently or in consultation with County's Risk Management Division as essential for protection of County.

#### **ARTICLE XXVIII**

**Licenses:** Contractor warrants and represents that it holds a valid California license pursuant to the Contractors' State License Law (Business and Professions Code Sections 7000, et seq.), that its license is in good standing and that it possesses a Class C-4 - Boiler, Hot Water Heating and Steam Fitting Contractor License, a Class C36 - Plumbing Contractor License, and a Class C20 - Warm-Air Heating, Ventilating and Air-Conditioning Contractor License as required by the categories and types of work to be performed under this Agreement. Copies of Contractor's State Contractors' license(s) must be provided with this Agreement.

#### **ARTICLE XXIX**

**Business License:** County's Business License Ordinance provides that it is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Ordinance Code Section 5.08.070. Contractor

warrants and represents that it shall comply with all of the requirements of County's Business License Ordinance, where applicable, prior to beginning work under this Agreement and at all times during the term of this Agreement.

### **ARTICLE XXX**

**Environmental and Toxic Warranty:** Contractor warrants that its operations concerning the services and materials provided under this Agreement are not and will not be in violation of any applicable environmental federal, state, or local statute, law, or regulation dealing with hazardous materials substances or toxic substances.

### **ARTICLE XXXI**

#### **Guarantees:**

- A. Contractor shall guarantee all materials, parts and equipment furnished and work performed for a period of one (1) year. Contractor warrants and guarantees for a period of one (1) year from the date of invoice that the work is free from all defects due to faulty materials or workmanship and Contractor shall promptly make such corrections as may be necessary, including repairs of any damage to other parts of the work resulting from such defects at no cost to County. County will give notice of observed defects with reasonable promptness. In the event that Contractor should fail to make such repairs, adjustments or other work that may be made necessary by such defects, County may do so and charge Contractor the cost thereby incurred.
- B. If a guaranty exceeding one (1) year is provided by the supplier or manufacturer of any parts or equipment used in the performance of services under this Agreement, then the guarantee for such materials shall be extended for such term. Contractor expressly agrees to act as co-guarantor of such parts, equipment and materials, and Contractor shall supply County with all warranty and guaranty documents relative to parts, equipment and materials incorporated in the services provided and guaranteed by its suppliers or manufacturers.
- C. Contractor warrants to County that materials, parts, and equipment furnished under this Agreement will be of good quality and new, unless otherwise required or permitted by the Agreement, that the work performed will be free from defects or flaws and is of the highest quality of workmanship and that the services provided will conform with the requirements of the Agreement. Work not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective.

### **ARTICLE XXXII**

**Force Majeure:** Neither party will be liable for any delay, failure to perform, or omission under this Agreement that is due to any cause that it is beyond its control, not due to its own negligence, and cannot be overcome by the exercise of due diligence. In that event, the affected party will:

- 1. Promptly give written notice to the other of the fact that it is unable to so perform and the cause(s) that is beyond its control.



2. Once the cause(s) has ceased, provide written notice to the other party and immediately resume its performance under this Agreement.

For purposes of this Article, "cause that is beyond its control" includes labor disturbances, riots, fires, earthquakes, floods, storms, lightning, epidemics, war, disorders, hostilities, expropriation or confiscation of properties, failure of and delays by carriers, interference by civil or military authorities, whether legal or de facto, and whether purporting to act under some constitution, decree, or law, or otherwise, or acts of God.

### **ARTICLE XXXIII**

**Waiver:** No failure on the part of the parties to exercise any rights under this Agreement, and no course of dealing with respect to any right hereunder, shall operate as a waiver of that right, nor shall any single or partial exercise of any right preclude the exercise of any other right. The remedies herein provided are cumulative and are not exclusive of any other remedies provided by law.

### **ARTICLE XXXIV**

**Conflict of Interest:** The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and the Political Reform Act of 1974 (Section 87100 et seq.), relating to conflict of interest of public officers and employees. Individuals who are working for Contractor and performing work for County and who are considered to be consultant within the meaning of Title 2, California Code of Regulations, Section 18700.3, as it now reads or may thereafter be amended, are required to file a statement of economic interest in accordance with County's Conflict of Interest Code. County's Contract Administrator shall at the time this Agreement is executed make an initial determination whether or not the individuals who will provide services or perform work pursuant to this Agreement are consultants within the meaning of the Political Reform Act and County's Conflict of Interest Code. Statements of economic interests are public records subject to disclosure under the California Public Records Act.

Contractor covenants that during the term of this Agreement neither it, nor any officer or employee of Contractor, has or shall acquire any interest, directly or indirectly, in any of the following:

1. Any other contract connected with, or directly affected by, the services to be performed by this Agreement.
2. Any other entities connected with, or directly affected by, the services to be performed by this Agreement.
3. Any officer or employee of County that are involved in this Agreement.

If Contractor becomes aware of a conflict of interest related to this Agreement, Contractor shall promptly notify County of the existence of that conflict, and County may, in its sole discretion, immediately terminate this Agreement by giving written notice of termination specified in ARTICLE XXIII, Default, Termination, or Cancellation.

## **ARTICLE XXXV**

### **Nondiscrimination:**

- A. County may require Contractor's services on projects involving funding from various state and/or federal agencies, and as a consequence, Contractor shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Contractor and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, military and veteran status of any person, marital status, age, sex, gender, gender identity, gender expression, or sexual orientation. Contractor shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 11000 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Subchapter 5 of Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Contractor and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Contractor shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Contractor's signature shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Section 12990 and Title 2, California Code of Regulations, Section 8103.

## **ARTICLE XXXVI**

**California Residency (Form 590):** All independent contractors providing services to County must file a State of California Form 590, certifying their California residency or, in the case of a limited liability company or corporation, certifying that they have a permanent place of business in California. Contractor will be required to submit a Form 590 prior to execution of this Agreement, or County shall withhold seven (7) percent of each payment made to Contractor during the term of this Agreement. This requirement applies to any agreement/contract exceeding \$1,500.

## **ARTICLE XXXVII**

**County Payee Data Record Form:** All independent contractors or corporations providing services to County who do not have a Department of the Treasury Internal Revenue Service Form W-9 (Form W-9) on file with County must file a County Payee Data Record Form with County.

## **ARTICLE XXXVIII**

**Resolution of Claims:** Contractor's attention is invited to Public Contract Code Sections 20104, et seq., for resolution of construction claims, and specifically Section 20104.2. Claims pertaining to this Agreement shall be governed by the provisions of those sections.

Your attention is directed to California Public Contract Code Section 9204, which describes procedures for the resolution of claims on public works projects. Among other things, Section 9204 requires the claimant to furnish reasonable documentation to support a claim, requires the public entity to respond to the claim within forty-five (45) days of receipt of the claim, and allows for the claimant to demand an informal meet and confer conference for settlement of the issues in dispute. For any portion of a claim that remains in dispute, Section 9204 requires submission of the claim to nonbinding mediation. Additionally, Section 9204 requires the public entity to make any payment due on an undisputed portion of the claim within sixty (60) days of the public entity's written response and to pay interest at the rate of seven percent (7%) per annum on any amounts not paid in a timely manner. The claims procedures described herein and in any other contract documents are in addition to the procedures required by Section 9204 and, in the event of a conflict between those various procedures, the more stringent procedures will control.

## **ARTICLE XXXIX**

**California Forum and Law:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

## **ARTICLE XL**

**Contract Administrator:** The County Officer or employee with responsibility for administering this Agreement is Russell Fackrell, Facilities Division Manager, Chief Administrative Office, or successor.

## **ARTICLE XLI**

**Authorized Signatures:** The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties the obligations set forth herein.

## **ARTICLE XLII**

**Electronic Signatures:** Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement, are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic Signature means any electronic visual symbol or signature attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures, pursuant to the California Uniform Electronic Transactions Act (Cal. Civ. Code §§ 1633.1 to 1633.17) as amended from time to time.

### **ARTICLE XLIII**

**Partial Invalidity:** If any provision, sentence, or word of the Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, sentences, or words will continue in full force and effect without being impaired or invalidated in any way.

### **ARTICLE XLIV**

**No Third Party Beneficiaries:** Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Agreement.

### **ARTICLE XLV**

**Counterparts:** This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

### **ARTICLE XLVI**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties, and they incorporate or supersede all prior written or oral agreements or understandings.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the dates indicated below.

**-- COUNTY OF EL DORADO --**

By: *Tiffany Schmid*  
Tiffany Schmid (Jul 13, 2022 09:33 PDT)

Dated: 07/13/2022

Purchasing Agent  
"County"

**-- MESA ENERGY SYSTEMS, INC. --**

By: *Robert A. Lake*  
Robert A. Lake (Jul 7, 2022 09:51 PDT)

Dated: 07/07/2022

Robert Lake  
Chief Executive Officer  
"Contractor"

By: *Stephen P Hunt*  
Stephen P Hunt (Jul 7, 2022 20:21 PDT)

Dated: 07/07/2022

Stephen Hunt  
Chief Financial Officer

# **Mesa Energy Systems, Inc.**

## **Exhibit A**

### **Rate Schedule**

**Standard Business Hours:** \$155 per hour

Standard business hours are defined as: 7:00am to 4:00pm, Pacific Time, Monday through Friday, excluding County-recognized holidays.

**Emergency, Non-Standard Hours, and Overtime:** \$232.50 per hour

Emergency and Non-Standard hours are defined as those times occurring outside of the Standard Business Hours defined above. Overtime rates shall be charged for all hours worked by a single employee in excess of eight (8) hours in any workday. Overtime services shall be pre-approved by County's Contract Administrator, or designee, in writing.

**Truck Charge for all Service Requests:** \$100 per call-out

Labor shall include travel portal to portal.

**Annual Increases:**

The rates listed above may be adjusted in accordance with ARTICLE III, Compensation for Services.