



County of Los Angeles
**CHIEF EXECUTIVE OFFICE
OPERATIONS CLUSTER**

FESIA A. DAVENPORT
Chief Executive Officer

DATE: October 12, 2022
TIME: 2:00 P.M. – 4:00 P.M.
LOCATION: **TELECONFERENCE CALL-IN NUMBER: 1(323)776-6996**
TELECONFERENCE ID: 439827168#

To Join Via Phone, Dial 1(323)776-6996, Then Press 439827168#.

YOU CAN ALSO JOIN THIS MEETING BY CLICKING ON THE FOLLOWING LINK:

[Click here to join the meeting](#)

**THIS MEETING WILL CONTINUE TO BE CONDUCTED VIRTUALLY TO ENSURE
THE SAFETY OF MEMBERS OF THE PUBLIC AND EMPLOYEES AS PERMITTED
UNDER STATE LAW**

AGENDA

Members Of The Public May Address The Operations Cluster On Any Agenda
Item After All Informational Items Are Presented.
Two (2) Minutes Are Allowed For Each Item.

1. **Call To Order – Koffi Kouassi/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
 - A) Board Letter:
CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE
FISCAL YEAR 2022-2023 FINAL ADOPTED BUDGET FOR THE
JUSTICE, CARE, AND OPPORTUNITIES DEPARTMENT
CEO/CLASSIFICATION – Ann Havens, Senior Manager
 - B) Board Letter:
COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS
CEO/CLASSIFICATION – Jennifer Revuelta, Principal Analyst
 - C) Board Letter:
PUBLIC HEARING ON PROPOSED ENERGY SERVICES AGREEMENTS
FOR INSTALLATION, OPERATION AND MAINTENANCE OF SOLAR
SYSTEMS AT FIVE COUNTY FACILITIES
ISD – Minh Le, EES General Manager; and
Christie Carr, Contracts Division Manager

CONTINUED ON PAGE 2

- D) Board Letter:
REQUEST AUTHORITY TO AWARD ENERGY SUPPORT SERVICES
MASTER AGREEMENTS AND TRANSFER WORK ORDERS
ISD – Christie Carr, Contracts Division Manager
- E) Board Letter:
ORDINANCE AMENDING TITLE 2 – ADMINISTRATION OF THE LOS
ANGELES COUNTY CODE, RELATING TO THE ESTABLISHMENT OF
THE COUNTYWIDE PRIVACY OFFICE
CEO/RM - Lillian Russell, Chief Privacy Officer

3. **PRESENTATION/DISCUSSION ITEMS:**

- A) CIO REORGANIZATION REPORT BACK
CEO/CIO – Peter Loo, Acting Chief Information Officer

4. **Public Comment**
(2 Minutes Each Speaker)

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

- A) ISD - AWARD 13 JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, REMODELING, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES ADOPT AND ADVERTISE VARIOUS SPECIFICATIONS
- B) LASD/CIO - APPROVE AMENDMENT NUMBER SEVEN TO SOLE SOURCE AGREEMENT NUMBER 77870 WITH MIDEO SYSTEMS, INC. FOR CONTINUED MAINTENANCE AND SUPPORT SERVICES FOR FORENSIC IMAGING EQUIPMENT
- C) ISD - DELEGATE AUTHORITY TO THE DIRECTOR OF THE INTERNAL SERVICES DEPARTMENT TO EXECUTE AGREEMENTS FOR THE COUNTYWIDE ADDRESS MANAGEMENT SYSTEM (CAMS) PROGRAM
- D) DCBA - AMENDMENTS TO TITLE 8 – CONSUMER PROTECTION, BUSINESS AND WAGE REGULATIONS DIVISION 3 (HOUSING) TO IMPLEMENT CHANGES TO THE MOBILEHOME RENT STABILIZATION AND RENT STABILIZATION ORDINANCES

**BOARD LETTER/MEMO
CLUSTER FACT SHEET**

☒ Board Letter

☐ Board Memo

☐ Other

| | | |
|---|--|-----------------|
| CLUSTER AGENDA REVIEW DATE | 10/12/2022 | |
| BOARD MEETING DATE | 11/1/2022 | |
| SUPERVISORIAL DISTRICT AFFECTED | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th | |
| DEPARTMENT(S) | CHIEF EXECUTIVE OFFICE | |
| SUBJECT | CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE FISCAL YEAR 2022-2023 FINAL ADOPTED BUDGET FOR THE JUSTICE, CARE AND OPPORTUNITIES DEPARTMENT (JCOD) | |
| PROGRAM | | |
| AUTHORIZES DELEGATED AUTHORITY TO DEPT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: | |
| DEADLINES/ TIME CONSTRAINTS | | |
| COST & FUNDING | Total cost: Included in the FY 2022-23 Final Adopted Budget | Funding source: |
| | TERMS (if applicable): | |
| | Explanation: | |
| PURPOSE OF REQUEST | UPDATE DEPARTMENTAL PROVISIONS TO ADD JCOD AND IMPLEMENT THE FY 22-23 FINAL ADOPTED BUDGET FOR JCOD | |
| BACKGROUND (include internal/external issues that may exist including any related motions) | 1. Update the departmental staffing provisions by adding JCOD 2. Implement the FY 22-23 Final Adopted Budget allocations for JCOD which were approved in-concept by the Board on 10/4/22. | |
| EQUITY INDEX OR LENS WAS UTILIZED | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how: | |
| SUPPORTS ONE OF THE NINE BOARD PRIORITIES | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how: | |
| DEPARTMENTAL CONTACTS | Name, Title, Phone # & Email: Ann Havens, Senior Manager, (213) 974-9960, ahavens@ceo.lacounty.gov | |



**CEO November 1, 2022
Fiscal Year 2022-23 Final Adopted Budget
for the Justice, Care and Opportunities
Department
Board Letter Summary**

CEO Classification/Compensation Contact Information:

Ann Havens, Senior Manager, (213) 974-9960, ahavens@ceo.lacounty.gov
Jennifer Revuelta, Principal Analyst, (213) 974-1783, jrevuelta@ceo.lacounty.gov
Alex Evans, Principal Analyst, (213) 893-2370, aevans@ceo.lacounty.gov
Eileen Cohen, Principal Analyst, (213) 974-2398, ecohen@ceo.lacounty.gov
Jon Lenvik, Senior Analyst, (213) 974-2539; jlenvik@ceo.lacounty.gov

This Board Letter includes:

1. Updating the departmental staffing provisions to add the Justice, Care and Opportunities Department (JCOD).
2. Implementation of FY 2022-23 Final Adopted Budget allocations for JCOD which were approved in-concept by the Board on October 4, 2022.



FESIA A. DAVENPORT
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

November 1, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE FISCAL YEAR 2022-2023 FINAL ADOPTED BUDGET FOR THE JUSTICE, CARE AND OPPORTUNITIES DEPARTMENT (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

This letter and accompanying ordinance will update the departmental staffing provisions by adding the new Justice, Care and Opportunities Department (JCOD) and reflecting positions approved for JCOD in the Fiscal Year (FY) 2022-2023 Final Adopted Budget.

IT IS RECOMMENDED THAT THE BOARD:

Approve the accompanying ordinance amending Title 6, Salaries, of the County Code to add JCOD as a new department; update the departmental staffing provisions to reflect 31.0 budgeted positions allocated for JCOD in the FY 2022-2023 Final Adopted Budget; and allocate 69.0 ordinance only positions enabling JCOD to begin operations and assign staff at a later date.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The following summarizes the purpose/justification of the recommended actions:

In a March 1, 2022 Board motion, the Board of Supervisors (Board) directed the Chief Executive Officer, in consultation with the Departments of Public Defender, Alternate Public Defender, Health Services, Mental Health, Public Health, Probation, and all other relevant partners and stakeholders, to report back to the Board in 90 days with

an organization and staffing plan, including concrete timelines, for the establishment of JCOD. On June 28, 2022, the Board adopted an ordinance, which became effective on July 28, 2022, amending Title 2, Administration, of the County Code to establish JCOD. Based upon this, we are recommending amendment of Title 6, Salaries, of the County Code to reflect the establishment of this new department.

The mission of JCOD is to reduce the County's over-reliance on incarceration of justice-impacted populations and centralize the County's efforts to enable a cohesive service delivery model – from prevention to reentry, working between the justice system, and other intersecting systems (behavioral health, supportive housing, social services, and workforce development).

On October 4, 2022, the Board approved, in concept, the FY 2022-2023 Final Adopted Budget which included funding for 31.0 budgeted positions for JCOD, as well as other appropriation. This letter and accompanying ordinance updates the departmental staffing provisions to reflect the 31.0 new budgeted positions allocated for JCOD. In addition, this letter adds an additional 69.0 ordinance only positions to JCOD to enable JCOD to place 12.0 Care First and Community Investment (CFCI) Advisory Committee Members and 12.0 CFCI Advisory Committee Alternates and to allow certain mid-year flexibility for operations and administrative purposes, should funding become available.

The Board's approval of the attached ordinance will fulfill the Charter requirement to provide for the number of County employees. It will also provide the authority for JCOD to fill new budgeted positions allocated as part of the FY 2022-2023 Final Adopted Budget. These recommendations are a routine part of the annual budget process.

Implementation of Strategic Plan Goals

Approval of the accompanying ordinance will further the County Strategic Plan Goal III – Realize Tomorrow's Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The funding for the 31.0 new budgeted positions was included in the FY 2022-2023 Final Adopted Budget. There is no cost associated with any other actions in this ordinance. Funding for the additional 24.0 CFCI Advisory Committee Members and Alternates will be absorbed through existing JCOD appropriation. Funding for the remaining 45.0 ordinance only positions will be addressed through future mid-year action or in future budget phases.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Article III, Section 11(3) of the Charter of the County of Los Angeles, the Board of Supervisors is “to provide, by ordinance, for the number of assistants, deputies, clerks, attaches, and other persons employed in the service of the County.” The County Charter also authorizes the establishment and maintenance of “a classification plan and the classification of all positions.” This responsibility is further delineated in Civil Service Rule 5.

The accompanying ordinance implementing amendments to Title 6, Salaries, of the County Code has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these recommendations will enable JCOD to effect personnel actions associated with the FY 2022-23 Final Adopted Budget and other classification actions.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:AC:AYH
JR:TP:mmg

Enclosure

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Human Resources
Affected Departments

ANALYSIS

This ordinance amends Title 6 – Salaries of the Los Angeles County Code by:

- Adding a new departmental Chapter 6.102, Justice, Care and Opportunities Department (JCOD); and
- Adding certain employee classifications and number of ordinance positions in JCOD.

DAWYN R. HARRISON
Acting County Counsel

By:
RICHARD D. BLOOM
Principal Deputy County Counsel
Labor & Employment Division

RDB:

ORDINANCE NO. _____

An ordinance amending Title 6 – Salaries of the Los Angeles County Code to add a new departmental chapter and add certain employee classifications and number of ordinance positions in JCOD as a result of the budget process for FY 2022-2023.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 6.102 is hereby added to read as follows:

CHAPTER 6.102 – JUSTICE, CARE AND OPPORTUNITIES DEPARTMENT

SECTION 2. Section 6.102.010 is hereby added to read as follows:

6.102.010 – Positions

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|---|
| 0648A | 1 | ACCOUNTANT III |
| 1045A | 1 | ADMINISTRATIVE DEPUTY II(UC) |
| 1059A | 1 | ADMINISTRATIVE DEPUTY III(UC) |
| 1002A | 4 | ADMINISTRATIVE SERVICES MANAGER I |
| 1003A | 4 | ADMINISTRATIVE SERVICES MANAGER II |
| 1004A | 1 | ADMINISTRATIVE SERVICES MANAGER III |
| 9387J | 12 | ALT MBR.,CARE FIRST COMMUNITY INVESTMENT ADVY COMMITTEE |
| 8697A | 1 | CLINICAL PSYCHOLOGIST II |
| 1604A | 1 | COMMUNICATIONS MANAGER(UC) |
| 1763A | 1 | DATA SCIENTIST |
| 1053A | 1 | DEPARTMENTAL FINANCE MANAGER II |

| | | |
|-------|----|--|
| 1884A | 1 | DEPTL HUMAN RESOURCES MANAGER II |
| 1120A | 1 | EXECUTIVE ASSISTANT |
| 0749A | 1 | FINANCIAL SPECIALIST III |
| 0752A | 1 | FISCAL OFFICER I |
| 4727A | 3 | HEALTH PROGRAM ANALYST I |
| 4729A | 18 | HEALTH PROGRAM ANALYST II |
| 4731A | 7 | HEALTH PROGRAM ANALYST III |
| 4541A | 4 | HEALTH PROGRAM MANAGER I |
| 4543A | 2 | HEALTH PROGRAM MANAGER III |
| 2565A | 1 | INFORMATION TECHNOLOGY MANAGER I |
| 2571A | 1 | INFORMATION TECHNOLOGY MANAGER II |
| 1848A | 4 | MANAGEMENT ANALYST |
| 2108A | 1 | MANAGEMENT SECRETARY II |
| 9395J | 12 | MBR.,CARE FIRST COMMUNITY INVESTMENT ADVY COMMITTEE |
| 2095A | 1 | SECRETARY II |
| 1764A | 1 | SENIOR DATA SCIENTIST |
| 2593A | 1 | SENIOR INFORMATION SYSTEMS ANALYST |
| 2547A | 1 | SENIOR IT TECHNICAL SUPPORT ANALYST |
| 2115A | 1 | SENIOR MANAGEMENT SECRETARY II |
| 0847A | 1 | SENIOR MANAGER,CEO(UC) |
| 2551A | 1 | SENIOR OPERATING SYSTEMS ANALYST |
| 5456A | 1 | SENIOR PHYSICIAN |
| 1609A | 1 | SENIOR PUBLIC INFORMATION SPECIALIST |

| | | |
|-------|---|---------------------|
| 2101A | 3 | SENIOR SECRETARY II |
| 0907A | 1 | STAFF ASSISTANT I |
| 0913A | 2 | STAFF ASSISTANT II |

SECTION 3. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.

[CH6102PBCC]

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**BOARD LETTER/MEMO
CLUSTER FACT SHEET**

☒ Board Letter

☐ Board Memo

☐ Other

| | | |
|--|---|-----------------|
| CLUSTER AGENDA REVIEW DATE | 10/12/2022 | |
| BOARD MEETING DATE | 11/1/2022 | |
| SUPERVISORIAL DISTRICT AFFECTED | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th | |
| DEPARTMENT(S) | CHIEF EXECUTIVE OFFICE | |
| SUBJECT | COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS | |
| PROGRAM | | |
| AUTHORIZES DELEGATED AUTHORITY TO DEPT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: | |
| DEADLINES/ TIME CONSTRAINTS | | |
| COST & FUNDING | Total cost: \$919,000 (if all 5 LACERA positions are filled) \$565,000 (all funds) \$37,000 (NCC) | Funding source: |
| | TERMS (if applicable): | |
| | Explanation: | |
| PURPOSE OF REQUEST | | |
| BACKGROUND (include internal/external issues that may exist including any related motions) | 1) Deletion of two (2) represented classifications <ul style="list-style-type: none"> Mason Working Supervisor (6181) Senior Sewing Worker (7615) 2) Adjustments to LACERA's staffing provision to reflect the addition of five (5) positions of various classifications specific to LACERA. 3) Reclassification of 28 positions in the Departments of Fire, Health Services, Internal Services, Mental Health, Public Health, and Public Social Services. | |
| EQUITY INDEX OR LENS WAS UTILIZED | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how: | |
| SUPPORTS ONE OF THE NINE BOARD PRIORITIES | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how: | |
| DEPARTMENTAL CONTACTS | Name, Title, Phone # & Email: Ann Havens, Senior Manager, (213) 974-9960, AHavens@ceo.lacounty.gov | |



**CEO November 1, 2022
General Reclass
Board Letter Summary**

CEO Classification/Compensation Contact Information:

Ann Havens, Senior Manager, (213) 974-9960, AHavens@ceo.lacounty.gov

Jennifer Revuelta, Principal Analyst, (213) 974-1783, jrevuelta@ceo.lacounty.gov

Ron Rojas, Senior Analyst, (213) 974-1094, rrojas@ceo.lacounty.gov

Chris Stevens, Senior Analyst, (213) 974-2507, cstevens@ceo.lacounty.gov

This Board Letter includes:

- 1) Deletion of two (2) represented classifications
 - a. Mason Working Supervisor (6181)
 - b. Senior Sewing Worker (7615)
- 2) Adjustments to LACERA's staffing provision to reflect the addition of five (5) positions of various classifications specific to LACERA.
- 3) Reclassification of 28 positions in the Departments of Fire, Health Services, Internal Services, Mental Health, Public Health, and Public Social Services.



FESIA A. DAVENPORT
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

November 1, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS (ALL DISTRICTS) (3 VOTES)

SUBJECT

This letter and accompanying ordinance will update the tables of positions and the departmental staffing provisions by deleting two (2) represented classifications; adjusting the Los Angeles County Employees Retirement Association's (LACERA) staffing provision; and reclassifying positions in various County departments.

IT IS RECOMMENDED THAT THE BOARD:

Approve the accompanying ordinance amending Title 6, Salaries, of the County Code to delete two (2) represented classifications; adjust LACERA's staffing provision to reflect the addition of five (5) positions of various classifications specific to LACERA; and reclassify 28 positions in the Departments of Fire, Health Services, Internal Services, Mental Health (DMH), Public Health, and Public Social Services.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Board of Supervisors (Board) has requested submission of classification letters on a periodic basis throughout the year to implement recommended actions in a timely manner. Approval will provide the ordinance authority for County departments to implement the classification and compensation changes in this letter.

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

These recommendations will ensure the proper allocation of positions based upon the duties and responsibilities assigned to these jobs and as performed by the incumbents (Attachments A and B). This is a primary goal of the County's classification and compensation system.

These actions are recommended based upon generally accepted professional principles of classification and compensation. Furthermore, these actions are important in addressing departmental operational needs and in maintaining consistency in personnel practices throughout the County. The proper allocation of positions facilitates efficient business operations and can reduce the number of costly personnel-related issues.

Deleted Classifications

In conjunction with our continuing goal of reducing classifications, we are recommending the deletion of two (2) represented classifications from the Classification Plan (Attachment A). The represented classifications have been approved for deletion by Employee Relations Commission and the affected departments have been informed and concur with this action. This recommendation is consistent with the County's strategy to reduce the number of obsolete classifications.

LACERA Ordinance Adjustments

We are recommending approval of adjustments to LACERA's staffing provision to reflect the addition of five (5) positions of various classifications specific to LACERA: four (4) Human Resources Analyst, LACERA positions and one (1) Information Technology Specialist II, LACERA position.

The Human Resources Analyst, LACERA positions are located within the Human Resources Division, Talent Acquisition and Management Unit, and report to an Assistant Director, Human Resources, LACERA. The positions are responsible for performing various functions in the areas of recruitment and selection, classification, workers' compensation, or benefits administration.

The Information Technology Specialist II, LACERA position is located in the Systems Division, Infrastructure Section, Engineering Unit, and reports to an Information Systems Manager I, LACERA. The position is responsible for acting as a consultant, technical expert, system architect, senior project manager, or may manage a very large and complex database environment.

The duties and responsibilities of the subject positions meet the classification criteria for the Human Resources Analyst, LACERA and Information Technology Specialist II, respectively.

DRAFT

Reclassifications

There are 28 positions in six (6) departments being recommended for reclassification (Attachment B). The duties and responsibilities assigned to these positions have changed since the original allocations were made. Therefore, the subject positions would be more appropriately classified in the recommended classes.

Implementation of Strategic Plan Goals

Approval of the accompanying ordinance will further the County Strategic Plan Goal III – Realize Tomorrow’s Government Today. Specifically, it will address Strategy III.3 to Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

If all five (5) LACERA positions were filled, the estimated cost for the additional positions is \$919,000. This could potentially result in future costs to the County in the form of increased employer contribution.

The projected budgeted annual cost resulting from the recommended reclassifications is estimated to total \$565,000 (all funds). Net County cost is estimated to be \$37,000. Cost increases associated with upward reclassification actions will be absorbed within the Adopted Budget for each affected department. No additional funding is required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County Charter authorizes the establishment and maintenance of “a classification plan and the classification of all positions.” This responsibility is further delineated in Civil Service Rule 5.

California Government Code Sections 31522.1, 31522.2 and 31522.4, County Employees Retirement Law of 1937 (CERL), states that retirement system employees are County employees who are to be included in the salary ordinance adopted by the Board. Further, the Constitution and our County Charter provides the Board with the authority to create classifications and set the compensation of County employees.

Appropriate notifications have been made to the impacted employee organizations regarding the recommended classification actions. The accompanying ordinance implementing amendments to Title 6, Salaries, of the County Code, has been approved as to form by County Counsel.

The Honorable Board of Supervisors
11/01/22
Page 5

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these classification recommendations will enhance the operational effectiveness of the departments through the proper classification and compensation of positions.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:AC:AYH
JR:AB:mmg

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Human Resources
Affected Departments

N:\CLASSIFICATION\ABCD - BOARD LETTERS - WORKING FILE\BOARD LETTER - RECLASS 11-01-22\11.1.22 General Reclass BL (draft 4).docx

CLASSIFICATION PLAN CHANGES

ATTACHMENT A

REPRESENTED CLASSIFICATIONS RECOMMENDED FOR DELETION FROM THE CLASSIFICATION PLAN

| Item No. | Title |
|-------------|--------------------------|
| 6181 | Mason Working Supervisor |
| 7615 | Senior Sewing Worker |

DRAFT

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

FIRE – ADMINISTRATIVE

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|--|------------|--|
| 1 | Administrative Services Manager I Item No. 1002A NMO 103L Non-Represented | 1 | Management Analyst Item No. 1848A NMO 97A Non-Represented |

The subject Administrative Services Manager I position will work under the administrative and technical supervision of an Administrative Services Manager II in the department's Return-to-Work Section. The subject position will be responsible for coordinating the increasing number of uniform and civilian workers' compensation claims, communicating with injured workers, Third Party Administrators, Payroll, and various internal and external agencies; conducting Interactive Process meetings with injured workers regarding work restrictions; maintaining and logging sensitive claims-related data; and providing statistical information and reports to management to support decision-making.

A downward reallocation of the subject position to the Management Analyst class is recommended, as positions allocable to the Management Analyst class receive general supervision while independently carrying out a variety of routine to moderately complex assignments. Incumbents perform a variety of analytical, technical, and/or confidential and sensitive assignments requiring the use of discretion and care in the handling of confidential and sensitive information used to support management decisions; and requiring the use of established research and analytical methods, sound professional judgment when analyzing related problems and issues, and discretion in determining the most appropriate course of action from a set of alternatives.

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

HEALTH SERVICES – OLIVE VIEW-UCLA MEDICAL CENTER

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|--|------------|--|
| 1 | Nursing Director, Administration Item No. 5296A N23 S14 Non-Represented | 1 | Clinical Nursing Director II Item No. 5299A N23 S15 Non-Represented |

The subject Nursing Director, Administration position reports to the Olive View Medical Center's Chief Nursing Officer II position, has responsibility for 418 full time subordinate positions, and is responsible for nursing operations, clinical assignments, staffing, and budgeting for the Psychiatric Emergency Department, Emergency Department, Psychiatric Urgent Care, and Employee Health Services units. The subject position oversees the nursing operations for assigned areas through three (3) Nurse Manager, four (4) Supervising Staff Nurse II, nine (9) Supervising Staff Nurse I, and two (2) Supervising Clinic Nurse I positions and is responsible for developing and revising policies and procedures; interpreting and communicating nursing and organizational policies and procedures; and participates in the development and implementation of strategic plans, operations goals, and objectives for assigned areas.

The duties and responsibilities of the subject position are comparable to the scope and level of Clinical Nursing Director II, as the position administers multiple major programs or organizational areas with full responsibility for planning, organizing, staffing, budgeting, directing, and controlling nursing services. Therefore, we recommend upward reallocation of the Nursing Director, Administration position to Clinical Nursing Director II.

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS**ATTACHMENT B****INTERNAL SERVICES DEPARTMENT**

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|-------------------|--|-------------------|--|
| 1 | Carpenter Item No. 6257A Flat Rate Represented | 1 | Plumber Item No. 7269A Flat Rate Represented |
| 1 | Carpenter Working Supervisor Item No. 6263A Flat Rate Represented | 1 | Plumber Item No. 7269A Flat Rate Represented |
| 2 | Construction and Repair Laborer Item No. 6601A NMO 74L Represented | 2 | Electrician Item No. 6471A Flat Rate Represented |
| 1 | Contract Monitor, Parking Services, ISD Item No. 6002A NMO 82A Represented | 1 | Electrician Item No. 6471A Flat Rate Represented |
| 1 | Electronics Communications Technician Item No. 6541A Flat Rate Represented | 1 | Electrician Item No. 6471A Flat Rate Represented |
| 1 | Hod Carrier Item No. 6157A Flat Rate Represented | 1 | Refrigeration Mechanic Item No. 7745A Flat Rate Represented |
| 1 | Information Technology Technical Support Analyst I Item No. 2545A NMO 94C Represented | 1 | General Maintenance Worker Item No. 6619A NMO 81G Represented |

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

INTERNAL SERVICES DEPARTMENT (Continued)

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|---|------------|---|
| 1 | Intermediate Typist-Clerk Item No. 2214A NMVO 74B Represented | 1 | General Maintenance Worker Item No. 6619A NMO 81G Represented |
| 2 | Painter Item No. 6973A Flat Rate Represented | 2 | Refrigeration Mechanic Item No. 7745A Flat Rate Represented |
| 2 | Senior Application Developer Item No. 2525A NMO 107K Represented | 1 | Administrative Services Manager I Item No. 1002A NMO 103L Non-Represented |
| | | 1 | Elevator Mechanic Item No. 6504A Flat Rate Represented |
| 1 | Senior Information Technology Aide Item No. 2585A NMO 88J Represented | 1 | Sheet Metal Worker Item No. 7662A Flat Rate Represented |
| 1 | Staff Assistant I Item No. 0907A NMO 84B Represented | 1 | General Maintenance Worker Item No. 6619A NMO 81G Represented |
| 1 | Staff Assistant II Item No. 0913A NMO 91B Represented | 1 | Departmental Civil Service Representative Item No. 1881A NMO 105A Non-Represented |

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

INTERNAL SERVICES DEPARTMENT (Continued)

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|---|------------|---|
| 1 | Warehouse Worker II Item No. 2332A NMO 83A Represented | 1 | Electrician Item No. 6471A Flat Rate Represented |

The subject one (1) Carpenter and one (1) Carpenter Working Supervisor positions report to a Plumber Supervisor and are responsible for performing plumbing and related work. The duties and responsibilities of the positions include installing piping for hot and cold water, waste sewage, vent and leader lines, gas, and compressed air; and installing and inspecting piping of all types of materials subject to the plumbing code. The duties and responsibilities of the subject positions meet the classification criteria for Plumber, a class that performs journey-level plumbing work in the installation, alteration, maintenance, and repair of plumbing and related systems. Therefore, we recommend upward reallocation of the two (2) subject positions to Plumber.

The subject one (1) Electronics Communications Technician; one (1) Contract Monitor, Parking Services, ISD; one (1) Warehouse Worker II; and two (2) Construction and Repair Laborer positions report to an Electrician Supervisor and are responsible for performing skilled professional work in the installation, maintenance, alteration, and repair of wiring, electrical appliances, machinery, branch circuits, underground and pole line distribution, switchboards, transformers, rigging, and handling of heavy equipment. The duties and responsibilities of the subject positions meet the classification criteria for Electrician, a class that is responsible for performing journey-level electrical work in the installation, maintenance, and alteration of electrical systems and equipment. Therefore, we recommend upward reallocation of the five (5) subject positions to Electrician.

The subject one (1) Hod Carrier and two (2) Painter positions report to a Steam Fitter and Refrigeration Supervisor and are responsible for installing, connecting, diagnosing, and calibrating refrigeration components such as compressors, evaporators, condensers, motors, blowers, and pumps, and calibrating and repairing refrigeration and air conditioning system instruments and electrical and pneumatic controls. The duties and responsibilities of the subject positions meet the classification criteria for Refrigeration Mechanic, a class that is responsible for performing journey-level refrigeration, air conditioning, heating, and ventilation tasks. Therefore, we recommend upward reallocation of the three (3) subject positions to Refrigeration Mechanic.

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

INTERNAL SERVICES DEPARTMENT (Continued)

The subject one (1) Intermediate Typist-Clerk, one (1) Information Technology Technical Support Analyst I, and one (1) Staff Assistant I positions report to a General Maintenance Supervisor and are responsible for performing general inspection, repair, and maintenance work in the areas of carpentry, electrical, plumbing, and other general maintenance and inspection work of buildings and other structures and equipment. The duties and responsibilities of the subject positions meet the classification criteria for General Maintenance Worker, a class responsible for performing a wide variety of building maintenance and repair work involving carpentry, electrical, masonry, painting, plumbing, or other mechanical and maintenance skills. Therefore, we recommend upward reallocation of the subject Intermediate Typist-Clerk position and downward reallocation of the subject Information Technology Technical Support Analyst I and Staff Assistant I positions to General Maintenance Worker.

The subject first Senior Application Developer position is assigned to the Executive Division and reports to an Administrative Manager XV, ISD. The duties of the position include collaborating with non-profit and community-based organizations in the development of critical Delete the Divide strategies; creating workforce and economic development programs to connect youth and young adults to technology, resources, and opportunities; and collecting data, evaluating methods, and generating reports on the effectiveness of programs using various outcome measures. Based on the duties and responsibilities of the subject position, the work performed is consistent with the classification of an Administrative Services Manager I. Positions allocated to this class independently perform a full range of difficult to complex analytical assignments and make recommendations on complex issues which directly impact departmental programs and administrative operations. Therefore, we recommend downward reallocation of the subject position to Administrative Services Manager I.

The subject second Senior Application Developer position reports to an Elevator Mechanic Supervisor and is responsible for testing and adjusting general operating and safety features of elevators, dumbwaiters, and escalators such as speed, acceleration, leveling, braking, emergency stop, and alarm bell; maintaining and repairing electronic control panels, switches, electric motors, generators; and inspecting, adjusting, maintaining, and repairing hoist motors and machinery, and other related equipment. The duties and responsibilities of the subject position meet the classification criteria for Elevator Mechanic, a class responsible for performing journey-level elevator and escalator maintenance and repair work including maintaining, inspecting, and repairing operating and safety features of elevators, escalators, and related equipment. Therefore, we recommend upward reallocation of the subject position to Elevator Mechanic.

The subject Senior Information Technology Aide position reports to a Sheet Metal Working Supervisor and is responsible for fabricating or repairing sheet metal articles such as roofing, gutters, flashing, louvers, ventilators, ducts, hoods, sinks, lockers, shelves, fire doors, and metal windows. The duties and responsibilities of the subject position meet the classification criteria for Sheet Metal Worker, a class responsible for

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

INTERNAL SERVICES DEPARTMENT (Continued)

using a variety of hand tools and power equipment in the installation, fabrication, assembly, and repair of sheet metal articles and equipment. Therefore, we recommend upward reallocation of the subject position to Sheet Metal Worker.

The subject one (1) Staff Assistant II position is assigned to the Customer Applications Branch and reports to an Administrative Manager XV, ISD. The duties of the position include advising managers in matters related to disciplinary policies, performance evaluations, and the application of Civil Service Rules; conducting investigations pertaining to employee misconduct and policy violations; and preparing and presenting cases for Civil Service hearings. Based on the duties and responsibilities of the subject position, the work performed is consistent with the classification of a Departmental Civil Service Representative. Positions allocated to this class represent departmental management as an advocate before the Civil Service Commission and are responsible for independently investigating, preparing, and presenting cases involving all departmental actions. Therefore, we recommend upward reallocation of the subject position to Departmental Civil Service Representative.

MENTAL HEALTH

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|---|------------|--|
| 1 | Research Analyst II, Behavioral Sciences Item No. 8972A N2MO 94B Represented | 1 | Training Coordinator, Mental Health Item No. 1865A NMO 104L Non-Represented |
| 1 | Training Coordinator, Mental Health Item No. 1865A NMO 104L Non-Represented | 1 | Mental Health Program Manager I Item No. 4740A NMO 115D Non-Represented |

The subject Research Analyst II, Behavioral Sciences position is assigned to DMH's Workforce Education and Training operation, where it is responsible for determining and developing clinical and non-clinical trainings based on the training needs of programs; coordinating training for the department's programs, which includes researching topics, completing competitive bid solicitations, negotiating with trainers, drafting Special Request packets (i.e., statements of work with outlined deliverable costs and other associated paperwork), and verifying/submitting training invoices; observing and

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

MENTAL HEALTH (Continued)

evaluating the effectiveness of trainings and analyzing training evaluations, as well as recommending revisions, where appropriate, to increase the effectiveness of training programs; and conducting trainings, as well as providing technical assistance relevant to departmental, County, and/or community training needs. The duties and responsibilities of the subject position are consistent with the classification criteria of Training Coordinator, Mental Health. Therefore, we recommend upward reallocation of the subject position to Training Coordinator, Mental Health.

The subject Training Coordinator, Mental Health position is assigned to the DMH's Workforce Education and Training operation, where it reports to a Mental Health Program Manager III and is responsible for directing, through subordinate supervisors, the planning, implementation, and evaluation of clinical and non-clinical trainings for programs; collaborating with departmental management, unions, contractors, and other stakeholders to assess training needs and priorities, as well as directing the development of training plans to address these needs; overseeing the development, implementation and review of training evaluation and outcome data/reports; and overseeing the development and implementation of policies and procedures to ensure that trainings are in compliance with all County, State, and federal guidelines and regulations. The duties and responsibilities of the subject position are consistent with the classification criteria of Mental Health Program Manager I, a class that is responsible for directing, through subordinate supervisors, the administration of the mental health services programs of a small to medium-sized clinic, comparable Service Area-based and Countywide programs, or program support services. Therefore, we recommend upward reallocation of the subject position to Mental Health Program Manager I.

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

PUBLIC HEALTH

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|------------|--|------------|---|
| 1 | Public Information Officer I Item No. 1600A NMO 99H Non-Represented | 1 | Public Information Specialist Item No. 1608A NMO 102J Non-Represented |
| 2 | Public Information Officer I Item No. 1600N NMO 99H Non-Represented | 2 | Public Information Specialist Item No. 1608N NMO 102J Non-Represented |
| 1 | Public Information Officer II Item No. 1601A NMO 101K Non-Represented | 1 | Senior Public Information Specialist Item No. 1609A NMO 106J Non-Represented |
| 1 | Staff Analyst, Health Item No. 4593A NMO 107A Non-Represented | 1 | Senior Public Information Specialist Item No. 1609A NMO 106J Non-Represented |
| 1 | Staff Assistant II Item No. 0913A NMO 91B Represented | 1 | Public Information Associate Item No. 1607A NMO 93J Non-Represented |

The three (3) subject Public Information Officer I positions are assigned to the Marketing and Beneficiary Engagement Division, Office of Communications, and Preparedness and Response for Bioterrorism Division. The subject positions plan, initiate, develop, evaluate, implement, maintain, and/or coordinate departmentwide public information programs, services, and activities; disseminate information to the general public, Board, County departments, department staff, contractors, vendors, federal or State government agencies as well as departmental and County stakeholders; provide technical direction to lower-level staff and program employees supporting departmental public information activities and services; develop, prepare, coordinate and/or review written and visual content; and plan and coordinate news releases between the department and traditional and digital media. The duties and responsibilities of the subject positions meet the classification criteria for Public Information Specialist, a class with responsibility for

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

PUBLIC HEALTH (Continued)

initiating, planning, developing, maintaining, evaluating, implementing, and coordinating department-wide public information programs, services, and activities. Based on the duties and responsibilities, we recommend upward reallocation of the subject positions to Public Information Specialist.

The subject Public Information Officer II position is assigned to the Office of Communications. The subject position oversees departmentwide public information programs, services, and activities; trains, guides, and consults lower-level staff, program staff, and contract employees supporting departmental public information activities and services; oversees the development, preparation, coordination, and review of written and visual content; and oversees the planning and coordination of news releases between the Department and traditional and digital media. The duties and responsibilities of the subject position meet the classification criteria for Senior Public Information Specialist, a class with responsibility for leading public information staff engaged in the planning and dissemination of information through various media channels. Based on the duties and responsibilities, we recommend upward reallocation of the subject position to Senior Public Information Specialist.

The subject Staff Analyst, Health position is assigned to the Office of Communications. The subject position works with leadership to promote and handle internal communications, provide technical expertise, and make recommendations regarding best and promising practices related to internal relations activities; coordinates and participates in collaborative efforts among departmental bureaus, divisions and/or programs to carry out the effective delivery of departmental programmatic and service communications to create awareness across programs supporting same or similar public populations; coordinates the development and research strategies for effective interdivisional and inter-programmatic relations on public health prevention and disease control initiatives; works with management to ensure that all risk communication and program relations issues are effectively addressed; and represents the department at public health forums. The duties and responsibilities of the subject position meet the classification criteria for Senior Public Information Specialist, a class with responsibility for initiating, planning, developing, maintaining, evaluating, implementing, and coordinating more complex and sensitive department-wide public information programs, services, and activities. Based on the duties and responsibilities, we recommend upward reallocation of the subject position to Senior Public Information Specialist.

The subject Staff Assistant II position is assigned to Preparedness and Response for Bioterrorism. The subject position assists with planning, initiating, developing, evaluating, implementing, and/or coordinating public information projects and related services and activities for community outreach, awareness, and public communications on existing and/or new departmental programs; under the technical direction of higher-level staff, administers departmental public information activities and communication services, and content on departmental or program websites; assists with evaluation and analyses of

DEPARTMENTAL RECLASSIFICATION RECOMMENDATIONS

ATTACHMENT B

PUBLIC HEALTH (Continued)

data, research of current trends, and possible communication of opportunities; assists with the development and/or review of written and visual contents; and assists with planning and coordinating news releases between the department and media representatives. The duties and responsibilities meet the classification criteria for Public Information Associate, a class with responsibility for assisting with the initiation, planning, development, maintenance, evaluation, implementation, and coordination of a public information and engagement program for a County department. Based on the duties and responsibilities, we recommend upward reallocation of the subject position to Public Information Associate.

PUBLIC SOCIAL SERVICES

| No of Pos. | Present Classification | No of Pos. | Classification Findings |
|---------------------------|---|---------------------------|---|
| 1 | Administrative Assistant I Item No. 0887A N2MO 83C Represented | 1 | Administrative Assistant II Item No. 0888A NMO 92G Represented |

The subject Administrative Assistant I position is assigned to the Bureau of Administrative Services and reports to an Administrative Services Manager I. The duties of the subject position include coordinating with the State, department staff, and business owners regarding the Restaurant Meals Program (RMP); preparing notification memos and documents for management; ensuring RMP applicants are compliant with State, federal, and program related requirements; and generating statistical reports by analyzing and collecting data. Based on the duties and responsibilities of the subject position, the work performed is consistent with the classification of Administrative Assistant II. Positions allocated to this class analyze and make recommendations for the solution of a variety of operation problems having significant consequences in terms of cost, efficiency, or public service. Therefore, we recommend upward reallocation of the subject position to Administrative Assistant II.

ANALYSIS

This ordinance amends Title 6 – Salaries of the Los Angeles County Code by:

- Adding, deleting, and/or changing certain employee classifications and number of ordinance positions in the departments of Fire, Health Services, Internal Services, Los Angeles County Employees Retirement Association, Mental Health, Public Health, and Public Social Services.

DAWYN R. HARRISON
Acting County Counsel

By:
RICHARD D. BLOOM
Principal Deputy County Counsel
Labor & Employment Division

ORDINANCE NO. _____

An ordinance amending Title 6 – Salaries of the Los Angeles County Code to add, delete and/or change certain employee classifications and number of ordinance positions in various departments to implement the findings of classification studies and adjust the staffing provisions for the Los Angeles County Employees Retirement Association.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 6.76.011 (Fire Department - Administrative) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|-----------------------------------|
| 1002A | 30 <u>29</u> | ADMINISTRATIVE SERVICES MANAGER I |
| 1848A | 18 <u>19</u> | MANAGEMENT ANALYST |

SECTION 2. Section 6.77.010 (Department of Public Health) is hereby amended to delete the following classes and number of ordinance positions:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|------------------|----------------------------|--|
| 1600A | 1 | PUBLIC INFORMATION OFFICER I |
| 1600N | 2 | PUBLIC INFORMATION OFFICER I |
| 1601A | 4 | PUBLIC INFORMATION OFFICER II |

SECTION 3. Section 6.77.010 (Department of Public Health) is hereby amended to add the following classes and number of ordinance positions:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|--------------|----------------------------|---|
| <u>1607A</u> | <u>1</u> | <u>PUBLIC INFORMATION ASSOCIATE</u> |
| <u>1608A</u> | <u>1</u> | <u>PUBLIC INFORMATION SPECIALIST</u> |
| <u>1608N</u> | <u>2</u> | <u>PUBLIC INFORMATION SPECIALIST</u> |
| <u>1609A</u> | <u>2</u> | <u>SR PUBLIC INFORMATION SPECIALIST</u> |

SECTION 4. Section 6.77.010 (Department of Public Health) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|----------------------|
| 4593A | 50 <u>49</u> | STAFF ANALYST,HEALTH |
| 0913A | 26 <u>25</u> | STAFF ASSISTANT II |

SECTION 5. Section 6.78.070 (Department of Health Services – Olive View-UCLA Medical Center) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|---------------------------------|
| 5299A | 3 <u>4</u> | CLINICAL NURSING DIRECTOR II |
| 5296A | 3 <u>2</u> | NURSING DIRECTOR,ADMINISTRATION |

SECTION 6. Section 6.81.010 (Internal Services Department) is hereby amended to delete the following class and number of ordinance positions:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|------------------------|
| 6157A | 4 | HOD CARRIER |

SECTION 7. Section 6.81.010 (Internal Services Department) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|------------------------------------|
| 1002A | 23 <u>24</u> | ADMINISTRATIVE SERVICES MANAGER I |
| 6257A | 6 <u>5</u> | CARPENTER |
| 6263A | 3 <u>2</u> | CARPENTER WORKING SUPERVISOR |
| 6601A | 8 <u>6</u> | CONSTRUCTION & REPAIR LABORER |
| 6002A | 8 <u>7</u> | CONTRACT MONITOR,PARKING SERVS,ISD |
| 1881A | 3 <u>4</u> | DEPARTMENTAL CIVIL SERVICE REP |
| 6471A | 43 <u>48</u> | ELECTRICIAN |
| 6541A | 50 <u>49</u> | ELECTRONICS COMMUNICATIONS TECH |
| 6504A | 44 <u>12</u> | ELEVATOR MECHANIC |
| 6619A | 22 <u>25</u> | GENERAL MAINTENANCE WORKER |
| 2545A | 24 <u>23</u> | IT TECHNICAL SUPPORT ANALYST I |
| 2214A | 47 <u>16</u> | INTERMEDIATE TYPIST-CLERK |

| | | | |
|-------|----------------|------------|------------------------------------|
| 6973A | 8 | <u>6</u> | PAINTER |
| 7269A | 20 | <u>22</u> | PLUMBER |
| 7745A | 27 | <u>30</u> | REFRIGERATION MECHANIC |
| 2525A | 130 | <u>128</u> | SENIOR APPLICATION DEVELOPER |
| 2585A | 42 | <u>11</u> | SENIOR INFORMATION TECHNOLOGY AIDE |
| 7662A | 9 | <u>10</u> | SHEET METAL WORKER |
| 0907A | 8 | <u>7</u> | STAFF ASSISTANT I |
| 0913A | 20 | <u>19</u> | STAFF ASSISTANT II |
| 2332A | 5 | <u>4</u> | WAREHOUSE WORKER II |

SECTION 8. Section 6.86.010 (Department of Mental Health) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | | TITLE |
|----------|----------------------------|-----------|----------------------------------|
| 4740A | 36 | <u>37</u> | MENTAL HLTH PROGRAM MANAGER I |
| 8972A | 5 | <u>4</u> | RESEARCH ANALYST II,BEHAVIOR SCI |

SECTION 9. Section 6.108.010 (Department of Public Social Services) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | | TITLE |
|----------|----------------------------|-----------|-----------------------------|
| 0887A | 2 | <u>1</u> | ADMINISTRATIVE ASSISTANT I |
| 0888A | 29 | <u>30</u> | ADMINISTRATIVE ASSISTANT II |

SECTION 10. Section 6.127.010 (Los Angeles County Employees Retirement Association) is hereby amended to change the number of ordinance positions for the following classes:

| ITEM NO. | NO. OF ORDINANCE POSITIONS | TITLE |
|----------|----------------------------|---|
| 0434A | 6 <u>10</u> | HUMAN RESOURCES ANALYST,LACERA |
| 0802A | 6 <u>7</u> | INFORMATION TECHNOLOGY SPECIALIST II,LACERA |

SECTION 11. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.

[676011CSCEO]

**BOARD LETTER/MEMO
CLUSTER FACT SHEET**

☒ Board Letter

☐ Board Memo

☐ Other

| | | | | | | | |
|---|--|----------------------------------|--|-------------------------------------|--|---|--|
| CLUSTER AGENDA REVIEW DATE | 10/12/2022 | | | | | | |
| BOARD MEETING DATE | 11/15/2022 | | | | | | |
| SUPERVISORIAL DISTRICT AFFECTED | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th | | | | | | |
| DEPARTMENT(S) | Internal Services Department (ISD) | | | | | | |
| SUBJECT | PUBLIC HEARING ON PROPOSED ENERGY SERVICES AGREEMENTS FOR INSTALLATION, OPERATION AND MAINTENANCE OF SOLAR SYSTEMS AT FIVE COUNTY FACILITIES | | | | | | |
| PROGRAM | County Sustainability Program (Plan) | | | | | | |
| AUTHORIZES DELEGATED AUTHORITY TO DEPT | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A | | | | | | |
| DEADLINES/ TIME CONSTRAINTS | County must work in good faith to execute an Energy Services Agreement (ESA) for within twelve months of the date that this Letter of Intent is fully executed by both parties; and no later than December 30, 2023. | | | | | | |
| COST & FUNDING | <table border="1"> <tr> <td>Total cost: No cost contracts</td><td>Funding source: Utilities' Services & Supplies</td></tr> <tr> <td colspan="2">TERM (if applicable): 20-Year Term.</td></tr> <tr> <td colspan="2">Explanation: The solar systems would be owned, operated, and maintained by the Contractor. The County would purchase one hundred percent (100%) of the energy services generated by the systems. As the solar systems at each facility generates lower cost energy, ISD will work with the Departments to reduce the Utilities' Services & Supplies appropriation in future fiscal year budget submissions based upon actual cost information.</td></tr> </table> | Total cost: No cost contracts | Funding source: Utilities' Services & Supplies | TERM (if applicable): 20-Year Term. | | Explanation: The solar systems would be owned, operated, and maintained by the Contractor. The County would purchase one hundred percent (100%) of the energy services generated by the systems. As the solar systems at each facility generates lower cost energy, ISD will work with the Departments to reduce the Utilities' Services & Supplies appropriation in future fiscal year budget submissions based upon actual cost information. | |
| Total cost: No cost contracts | Funding source: Utilities' Services & Supplies | | | | | | |
| TERM (if applicable): 20-Year Term. | | | | | | | |
| Explanation: The solar systems would be owned, operated, and maintained by the Contractor. The County would purchase one hundred percent (100%) of the energy services generated by the systems. As the solar systems at each facility generates lower cost energy, ISD will work with the Departments to reduce the Utilities' Services & Supplies appropriation in future fiscal year budget submissions based upon actual cost information. | | | | | | | |
| PURPOSE OF REQUEST | Adopt the Resolution, after a public hearing, with a finding that the anticipated cost to the County for energy services provided by the systems under the proposed ESAs will be less than the anticipated marginal cost to the County of electrical energy that would have been consumed by the County in the absence of the ESA purchases; Delegate authority to the Director of ISD, to execute ESAs for five County facilities including applicable amendments; and find the proposed ESAs exempt from the California Environmental Quality Act for the reasons stated in Board letter. | | | | | | |
| BACKGROUND (include internal/external issues that may exist including any related motions) | School Project for Utility Rate Reduction (SPURR) was developed with Joint Powers Authority (JPA) formed in 1989 by California public school districts with over 300 public agency members representing 1000's of facilities. Through their statewide competitive Request for Proposals, the Renewable Energy Aggregated Procurement (REAP) Master Contract was awarded which allows qualifying entities to utilize the Contract. SPURR's REAP Program is an innovative aggregated solar procurement program that leverages the collective purchasing power of SPURR's large membership to secure transparent, pre-negotiated solar project pricing and terms to be made available to SPURR members and other Eligible Entities. "Eligible Entities" mean: California public school districts, county offices of education, public agencies and community college districts. | | | | | | |
| EQUITY INDEX OR LENS WAS UTILIZED | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No State of California Approved Joint-Labor Management Apprenticeship Program requirements have been included in the contracts. | | | | | | |
| SUPPORTS ONE OF THE NINE BOARD PRIORITIES | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No #5: Environmental Health (By improving local environmental conditions and reducing potential environmental hazards through the five solar procurements) #7: Sustainability (By making the County healthier, more livable, economically stronger, more equitable, and more resilient by providing renewable clean energy at five County facilities) The ESAs will allow the County to generate clean renewable power at the proposed five facilities which will effectively lower the County's current utility expenses. | | | | | | |
| DEPARTMENTAL CONTACTS | Minh Le, MSLe@isd.lacounty.gov , 323- 267-2006 (EES General Manager) Christie Carr, ccarr@isd.lacounty.gov , 323-267-3101 (Contract Manager) | | | | | | |



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November 15, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**PUBLIC HEARING ON PROPOSED ENERGY SERVICES AGREEMENTS FOR
INSTALLATION, OPERATION AND MAINTENANCE OF SOLAR SYSTEMS AT FIVE
COUNTY FACILITIES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Adopt a Resolution containing a determination that the requirements of Government Code section 4217.10 *et seq.* are duly met in the proposed Energy Services Agreements (ESAs) for each of the five County of Los Angeles (County) facilities; grant ISD delegated authority to enter into Renewable Energy Aggregated Procurement (REAP) Program Energy Service Agreements (ESAs); and find these proposed ESAs are exempt from the California Environmental Quality Act (CEQA).

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING:

1. **Public Hearing & Resolution.** Adopt the attached Resolution (Attachment 1), after a public hearing, with a finding that (i) the anticipated cost to the County for energy services provided by the systems under the proposed ESAs (Attachment 2) will be less than the anticipated marginal cost to the County of electrical energy that would have been consumed by the County in the absence of the ESA purchases, and (ii) the difference, if any, between the fair market rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the ESAs, pursuant to Government Code section 4217.12.

2. **Delegated Authority.** Delegate authority to the Director of ISD, or his designee, to (i) execute ESAs for five County facilities (Attachment 3), including applicable amendments, and (ii) assign the ESAs, including any ancillary license agreement(s) and other documents necessary for the operation and maintenance of the solar systems at the County facilities, with ForeFront Power LLC. (FFP), a Delaware limited liability company.
3. Find the proposed ESAs exempt from the California Environmental Quality Act for the reasons stated in this letter.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

In compliance with Government Code section 4217.10 *et seq.*, ISD has confirmed solar capabilities at the five (5) County-owned facilities listed in Attachment 3 for ESAs, with ForeFront Power, LLC. (FFP), a Delaware limited liability company (FFP).

The attached Cost/Benefit Analysis (Attachment 4) further details the costs and benefits of the proposed solar systems adjacent to the five facilities. The Cost/Benefit Analysis concludes that under the ESAs, the County is expected to save approximately \$2.9 million over the next 20 years, compared to the business-as-usual case, according to the terms of the proposed ESAs.

The ESAs are based on a fixed price per unit of electricity over the next 20 years, whereas the electricity rates from Southern California Edison (SCE) are expected to increase at, or faster than, the rate of inflation. This Analysis also uses a very conservative 2% rate of inflation (in actuality, SCE rates increased by an average of 10-12% in April 2022).

1. Public Hearing & Resolution

The first recommended action is for the purpose of compliance with California Government Code section 4217.10, *et seq.*, which requires the Board to take the following actions:

- Hold a public hearing at a regularly scheduled meeting and provide public notice of the hearing at least two weeks in advance;
- Find the anticipated cost to the County for electrical energy under the proposed ESAs will be less than the anticipated marginal cost to the County. of energy that would have been consumed by the County. in the absence of those ESA purchases; and
- Find the difference, if any, between the fair market rental value for the real property subject to the facility license agreement, and the agreed rent on that property, is anticipated to be offset by below-market energy purchases or other benefits provided under the ESAs.

2. Delegated Authority

The second recommended action is required to allow ISD to enter into ESAs that comport to the Renewable Energy Aggregated Procurement Program (REAP) model. The REAP model is designed for School Project for Utility Rate Reduction (SPURR) members and eligible non-members/public agencies in order to take advantage of the aggregated solar buying program, and also leverages SPURR's expertise and the collective purchasing power of SPURR's large membership to:

- Streamline the solar buying process
- Drive down solar project pricing
- Improve and standardize contract terms and conditions resulting in reduced contracting risks

The REAP is only available to qualifying entities, and by utilizing the ESA, the time and cost benefits can be captured by the County.

The second recommended action is also required in order to obtain approval from the Board to delegate authority to the Director of ISD, or his designee, to execute applicable amendments, and assign ESAs, including any ancillary license agreement(s) or other documents as necessary.

3. California Environmental Quality Act (CEQA) Exemption

Approval of the recommendations will find the proposed ESA projects exempt from the California Environmental Quality Act (CEQA).

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support the County's Strategic Plan Strategy III.3 (Operational Effectiveness, Fiscal Responsibility, and Accountability) by developing and implementing a program that reduces the County's utilities budget through long term environmentally responsible projects. It is also consistent with the County's adopted Sustainability Plan.

The recommended actions also support Strategic Plan Strategy II.3 (Environmental Sustainability) by providing a program that promotes clean energy production and enhances health and sustainable practices in the County.

FISCAL IMPACT/FINANCING

Under the proposed ESAs, the County would achieve the benefit of Fixed Price Administrative Fees and Fixed Project Pricing rates for the duration of the ESAs, which will save the County approximately \$2.9 million in utility expenses over the 20-year ESA

term. Over the lifetime of the ESAs, the Cost Benefit Analysis (Attachment 4) details the Cumulative Net Savings.

The solar systems would be owned, operated, and maintained by FFP. The County would purchase one hundred percent (100%) of the energy services generated by the systems that are made available by FFP during each month of the ESA term, up to a maximum of one hundred and ten percent (110%) of estimated annual production, without a need for any investment costs from the County.

Pursuant to Gov. Code section 4217.12, the anticipated cost to the County for electrical energy under resultant ESAs would be less than the anticipated marginal cost of energy that would have been consumed by the County in the absence of the ESA purchases. Electricity costs for the five facilities would be reduced within the first two-to-five years as the solar systems begin generating electricity.

As the solar system at each facility generates lower cost energy, ISD will work with the Departments to reduce the Utilities' Services & Supplies appropriation in future fiscal year budget submissions based upon actual cost information.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Required public hearing notice was given pursuant to the procedures and requirements set forth in California Government Code Sections 4217.10-4217.18.

The Internal Services Department negotiated commercially responsible terms for the County. The terms and conditions of the recommended ESAs have been approved as to form by County Counsel.

The recommended ESAs and Contract contain appropriate provisions, such as:

- Annual 95% solar performance guarantee
- Liquidated damages for construction start and commercial operation
- Defaults
- Assignments
- Contract Termination for Default
- Termination for Convenience
- Annual system buy-out optionality
- Flat rate, fixed pricing
- System registration with the Western Renewable Energy Generation Information System (WREGIS) a web-based tracking system for renewable energy certificates that covers the Western Interconnection territory.
- County's retention of Renewable Energy Credits (RECs)
- System monitoring requirements and County's access to all production data

Due to the highly specialized and technical nature of the services, the ESAs are not subject to the Living Wage Program (County Code Chapter 2.221), and do not allow for cost-of-living adjustments.

The Internal Services Department has determined that the services under the recommended Master Agreement do not impact Board Policy No. 5.030, "Low-Cost Labor Resource Program", due to the specialized nature of the services.

ENVIRONMENTAL DOCUMENTATION

The proposed projects are statutorily and categorically exempt from the provisions of the California Environmental Quality Act (CEQA), California Public Resources Code Section 21080.35, which exempts solar energy systems installed on existing rooftops or at existing parking lots.

ISD will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the CEQA Guidelines.

CONTRACTING PROCESS

School Project for Utility Rate Reduction (SPURR) was developed by a Joint Powers Authority (JPA) formed in 1989 by California public school districts, with over 300 public agency members representing 1000's of facilities.

Through a statewide competitive Request for Proposals (RFP) released on July 19, 2017, SPURR received eight proposals by their August 18th, 2017, due date. The evaluation process consisted of reviewing all responses for compliance with minimum qualifications set forth in the RFP based on the best value evaluation criteria process. None of the proposals were disqualified.

As a result of a competitive solicitation, on October 26, 2017, FFP was awarded the REAP Program Master Contract (Contract), Attachment 5, to provide renewable energy services at pre-negotiated project pricing and to include advantageous terms and conditions for SPURR members and other Eligible Entities. Eligible Entities include California public school districts, county offices of education, and community college districts, whether they are members of SPURR or not, and public agencies, such as the County.

The RFP and the resulting Contract include provisions that permit other public agencies (i.e. federal, state, counties, local municipalities and cities, etc.) to utilize the awarded Contract. Overall, the Contract is an innovative, aggregated solar procurement program that leverages the collective purchasing power of SPURR's large membership to secure transparent, fixed solar project pricing as a means to procure renewable energy services, which are made available to SPURR members and these eligible entities.

The Contract provides a Fixed Price Administrative Fee and Fixed Project Pricing which is set forth in Appendix B, Pricing Table, of the Contract and had an initial contract expiration date of five years ending on June 30, 2022. To date, there have been three Contract amendments executed by both parties (SPURR and FFP).

Amendment One was executed on Sept. 15, 2019, and reinstated the Contract and improved contract provisions; and

Amendment Two was executed on Sept. 30, 2021, and extended the Contract Term through June 30, 2022, and further reduced the fixed project pricing schedule; and

Amendment Three was executed on Sept. 7, 2022, which extended the Contract Term through Oct. 26, 2022, and to accommodate numerous public agencies in good faith negotiations seeking to use the Contract in anticipation of "Net Energy Metering" rule changes currently under consideration by the California Public Utilities Commission.

A REAP Program ESA includes any power purchase agreement ("PPA"), design/build contract, lease, energy storage agreement, performance guarantee, or similar agreement, or any combination of such agreements, related to a project. The County was provided the opportunity to conduct (or authorize FFP to conduct) feasibility studies and to conduct site inspections for the proposed projects. The County facilities in Attachment 3 were identified as viable candidates. After such, the County is not obligated to procure projects with FFP and are not responsible for any costs incurred by FFP for conducting its feasibility study, site inspections, offer preparation or any other activity prior to execution of an ESA.

The ESAs will allow the County to generate clean renewable power, at the proposed five facilities, which will effectively lower the County's current utility expenses. ISD ensured that each of the five facilities meets the criteria for optimal solar installation configurations.

During the development and negotiations of the proposed ESAs, ISD worked closely with SPURR to ensure that the proposed projects support the County's goals and define the scope for electrical work required at each of the five facilities. Specific labor language was negotiated into the Contract and resulting ESAs, including language added to the Scope to ensure a minimum of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program, Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program of which a minimum number must be OSHA 30-hour General Industry Safety and Health Certified.

The County also negotiated fixed ESA electricity rates per kilowatt-hour (kWh), at the same rate, for the entire 20-year term of each ESA. The proposed new ESAs will provide the new solar systems with warranties (equipment and Operations & Maintenance services) for the 20-year term of the ESAs, at no cost to the County.

The Contract will expire on October 26, 2022. Therefore, ISD will execute a Letter of Intent (LOI), with approval from County Counsel, before this date to secure the fixed prices. To

the extent that FFP and the County enter into the LOI prior to the October 26, 2022, expiration date, the pricing and terms set forth in the Contract Amendment will continue to apply to the ESAs which are entered into pursuant to the LOI, even if they are executed after the Contract expiration date.

Upon final approval by County Counsel and your Board, ISD will notify the Board upon execution of the five ESAs.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Given the long-term nature of the ESAs, ISD has coordinated with the relevant departments as well as the County's CEO's office to ensure that there are no long-term plans that would impair the County from completing the terms of the ESAs.

Installation at the five County facilities is expected to take place in mid-2023 and will be completed in approximately nine months. ISD will be working with the affected Departments during construction, and there is no anticipated disruption to County services.

CONCLUSION

The proposed projects for installing, operating, and maintaining solar systems on the five County facilities would reduce the County's utilities budget with no upfront capital expenditure.

Further, electricity produced by these projects would be at known and fixed prices and fixed administrative costs, which would save the County \$2.9 million over the ESA term.

Further, these projects would decrease the production of greenhouse gases and air pollution in the region.

Finally, the financial risk to the County of not meeting the terms of the ESA over the 20-year period of the contract is small when compared to the anticipated savings for the County, as the ESAs include termination for convenience and default provisions, along with buy-out clauses.

Please return an adopted copy of this letter and a signed original of the Resolution to the Director of ISD.

Respectfully submitted,

The Honorable Board of Supervisors
November 15, 2022
Page 8

SELWN HOLLINS
Director

SH:ML:LG:CC:ct

Attachments

c: Executive Office, Board of Supervisors
Chief Executive Officer
County Counsel

DRAFT

ATTACHMENT 1

RESOLUTION ON PROPOSED ENERGY SERVICES AGREEMENTS FOR SOLAR SYSTEMS AT FIVE COUNTY FACILITIES

WHEREAS, the California legislature seeks to encourage the implementation of energy projects at public facilities through legislation designed to provide the greatest possible flexibility to public agencies in structuring agreements for alternative energy projects (Government Code sections 4217.10, *et seq.*);

WHEREAS, Government Code section 4217.10, *et seq.*, authorizes agencies such as the County of Los Angeles ("County") to develop energy conservation, cogeneration, and alternate energy sources at facilities owned by such public agencies;

WHEREAS, Section 4217.12 of the California Government Code authorizes the County to enter into a contract for energy conservation systems on terms the Board determines are in the best interests of the County; and

NOW THEREFORE, BE IT RESOLVED that based on staff reports, public comment, and the administrative record as a whole, and pursuant to Government Code section 4217.12, the Board finds that the anticipated cost to the County for electrical (solar) energy under the proposed Energy Services Agreements will be less than the anticipated marginal cost to the County of energy that would have been consumed by the County in the absence of those purchases;

BE IT FURTHER RESOLVED that the Board finds the difference, if any, between the fair rental value for the real property subject to the facility license agreement and the agreed rent is anticipated to be offset by below-market energy purchases or other benefits provided under the Agreements;

BE IT FURTHER RESOLVED that the Board receive public comment on the proposed projects at its regularly scheduled Public Hearing Meeting on November 15, 2022, prior to consideration of this resolution;

BE IT FURTHER RESOLVED that based on staff reports reviewed by the Board, public comment and the administrative record as a whole, the Board finds it is in the best interest of the County to enter into Solar Energy Agreements subsequent to adoption of this resolution; and

BE IT FINALLY RESOLVED that the Director of ISD, or his designee, is authorized to enter into Energy Services Agreements for solar systems at five County facilities on behalf of the County and to take all steps necessary to execute and implement agreements and to take any actions deemed necessary to best protect the interest of the County.

ATTACHMENT 1

The foregoing resolution was adopted on the _____ day of _____, 2022 by the Board of Supervisors of the County of Los Angeles.

CELIA ZAVALA

Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____

Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
Acting County Counsel

By _____
Principal Deputy County Counsel

ENERGY SERVICES AGREEMENT – SOLAR**Carson Library**

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 2022 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *County of Los Angeles* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of _____, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|--|
| Schedule 1 | Description of the Premises, System and Subsidy |
| Schedule 2 | Energy Services Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Estimated Annual Production |
| Schedule 5 | Notice Information |
| Schedule 6 | Labor Requirements |
| Schedule 7 | Specific Items for Scope of Work |
| Schedule 8 | Site Diagram |
| Schedule 9 | Acknowledgment of Upgrades, Schedule or Scope Change |

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.
 - 5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the Definitions section of Exhibit A General Terms and Conditions between the Parties.

 - 5.2 The Guaranteed Commercial Operation Date is 270 days from Guaranteed Construction Start Date.

6. Purchase Requirement; Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.
 - 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by [], or (ii) prior to the Commercial Operation Date, (A) Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, or (B) the CPUC issues a decision such that the System would not be eligible for NEM 2.0 grandfathering for at least twenty (20) years, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

Provided, however, that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual

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Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates [Insert Post(s) of person(s) authorized to Execute] as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

PROVIDER:
FFP BTM SOLAR, LLC

PURCHASER:
County of Los Angeles

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | 151 E Carson St, Carson, CA 90745 |
| Site diagram attached: | X Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | Behind the meter, grid interconnected, canopy mounted solar. |
| Solar System Size: | 297.54 kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | \$0 |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

| Term Year | kWh Rate (\$/kWh) | Term Year | \$/kWh Rate (\$/kWh) |
|------------------|--------------------------|------------------|-----------------------------|
| 1 | \$0.1909 | 11 | \$0.1909 |
| 2 | \$0.1909 | 12 | \$0.1909 |
| 3 | \$0.1909 | 13 | \$0.1909 |
| 4 | \$0.1909 | 14 | \$0.1909 |
| 5 | \$0.1909 | 15 | \$0.1909 |
| 6 | \$0.1909 | 16 | \$0.1909 |
| 7 | \$0.1909 | 17 | \$0.1909 |
| 8 | \$0.1909 | 18 | \$0.1909 |
| 9 | \$0.1909 | 19 | \$0.1909 |
| 10 | \$0.1909 | 20 | \$0.1909 |

Distribution Upgrades. Purchaser acknowledges that Provider included contingency for Distribution Upgrades in the kWh Rate in the amount of \$43,500.00 (the “IX Contingency”). Within thirty (30) days of receipt of notice from the

Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, and to the extent that the distribution upgrade costs exceed the IX Contingency, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such distribution upgrade costs in excess of the IX Contingency, and the kWh rate as stated in PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs in excess of the IX Contingency, the kWh rate in PPA Rate Table will increase \$0.00077 per kWh.
- c. If the IX Contingency is in excess of the distribution upgrade costs, then: for every \$0.01 per watt DC of such difference in the distribution upgrade costs and the IX Contingency, the kWh rate in the PPA Rate Table will decrease by \$0.00077 per kWh.

Scope Changes (ITC Eligible): If changes in project scope occur that are eligible for the Federal Investment Tax Credit (such as but not limited to adverse geotechnical conditions) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00048 per kWh.

Scope Changes (Non-ITC Eligible): If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (such as but not limited to additional required ADA upgrades) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- c. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- d. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00064 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.01909, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated kWh Rate increase.

Further, in no event shall the aggregate of any reductions in the kWh Rate set forth in this Schedule 2 reduce the kWh Rate below \$0.1797.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91 st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|-----------------------------------|--|---|--|
| 1* | \$5.19 | | -- |
| 2 | \$4.41 | | -- |
| 3 | \$4.14 | | -- |
| 4 | \$3.89 | | -- |
| 5 | \$3.64 | | -- |
| 6 | \$3.39 | 5 th Anniversary | \$2.89 |
| 7 | \$3.35 | 6 th Anniversary | \$2.85 |
| 8 | \$3.31 | 7 th Anniversary | \$2.81 |
| 9 | \$3.27 | 8 th Anniversary | \$2.77 |
| 10 | \$3.23 | 9 th Anniversary | \$2.73 |
| 11 | \$3.19 | 10 th Anniversary | \$2.69 |
| 12 | \$3.14 | 11 th Anniversary | \$2.64 |
| 13 | \$3.10 | 12 th Anniversary | \$2.60 |
| 14 | \$3.05 | 13 th Anniversary | \$2.55 |
| 15 | \$3.00 | 14 th Anniversary | \$2.50 |
| 16 | \$2.95 | 15 th Anniversary | \$2.45 |
| 17 | \$2.90 | 16 th Anniversary | \$2.40 |
| 18 | \$2.85 | 17 th Anniversary | \$2.35 |
| 19 | \$2.79 | 18 th Anniversary | \$2.29 |
| 20 | \$2.73 | 19 th Anniversary | \$2.23 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|-----------|----------------------------|-----------|----------------------------|
| 1 | 468,030 | 11 | 445,148 |
| 2 | 465,690 | 12 | 442,923 |
| 3 | 463,362 | 13 | 440,708 |
| 4 | 461,045 | 14 | 438,505 |
| 5 | 458,740 | 15 | 436,312 |
| 6 | 456,446 | 16 | 434,130 |
| 7 | 454,164 | 17 | 431,960 |
| 8 | 451,893 | 18 | 429,800 |
| 9 | 449,634 | 19 | 427,651 |
| 10 | 447,385 | 20 | 425,513 |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

V. Schedule 5 – Notice Information

Purchaser:

[]

Provider:

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 725
San Francisco, CA 94104

With a copy to

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Legal Department
100 Montgomery St., Suite 725
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Labor Requirements

- 6.1 Electrical Work is defined as handling, movement, placement, installation, or connection of any electrical wires, fixtures, raceways, conduits, solar photovoltaic modules, once delivered on-site or multiple locations on the worksite, which generates, transmits, transforms or utilizes electrical energy in any form or for any purpose regardless of voltage.
- 6.2 All Electrical Work to be performed by qualified and certified personnel in accordance with Title 8 of the California Code of Regulations.
- 6.3 A minimum of sixty percent (60%) of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program.
- 6.4 All Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program.
- 6.5 At least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified.

VII. Schedule 7 – Specific Items for Scope of Work

- 1.1. All System structures shall be permitted through the authority having jurisdiction as carports or shade structures, as applicable. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption (NOE), and that a special use, conditional use, or zoning permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and

associated consultant statement and summary citing exemptions applicable. Provider shall not be responsible for costs or delays associated with any unforeseen required CEQA studies, special use, conditional use, or zoning permits, or mitigations that may result from a CEQA submittal and public comment.

- 1.3. Solar arrays will be canopy height of 10' minimum clearance.
- 1.4. Provider shall be responsible for all tree trimming and tree removal in order to facilitate the installation of the Systems. Provider will remove tree such that area is flush with grade. Purchaser shall acknowledge and approve removal of trees identified by Provider, in order to install the system and such approval shall not be unreasonably withheld. Purchaser shall be responsible for the costs associated with afforestation or reforestation for any trees removed. Purchaser can elect to address afforestation or reforestation itself, or require that Provider address it through the change order process described in Schedule 2. Irrigation re-routing shall not be the responsibility of the Provider.
- 1.5. Provider intends to interconnect the System to Purchaser-owned 480V service conductors at a mutually agreeable location. Provider assumes that the existing conductors and service equipment are sufficiently capable of accepting the additional electrical load of the System. Provider shall not bear responsibility for any required upgrades to the pre-existing electrical system.
- 1.6. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
- 1.7. Provider shall be responsible for verifying and understanding existing ADA parking, striping, and paths of travel and what code-required upgrades may be necessary as a result of the System and any pre-existing non-compliance. Provider shall be responsible for all required ADA striping, signage within the solar canopy footprint and connecting to existing ADA-compliant path of travel. Provider's scope excludes any demolition, grading, paving, curb cuts, or truncated domes throughout the Premises to achieve ADA compliance, or any required ADA striping and signage outside of the solar canopy footprint and connecting to the existing ADA-compliant path of travel. Should any excluded items for ADA-compliance be required, Provider will work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay the costs associated with such upgrades, including potentially an increase in the kWh rate in Schedule 2.
- 1.8. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pier depth of 10' and diameter of 30". If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
- 1.9. Provider agrees to construct the System in no more than 1 construction phase, and that Provider will be allowed ample space, to the extent that it is available, to store material on site.
- 1.10. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.

VIII. Schedule 8 – Site Diagram



IX. Schedule 9 – Acknowledgment of Upgrades, Schedule or Scope Change

Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [_____, 20__] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- ☐ Distribution Upgrades
- ☐ Scope Changes (ITC Eligible)
- ☐ Scope Changes (Non-ITC Eligible)
- ☐ Day for Day Extension
- ☐ Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [_____]

Guaranteed Commercial Operation Date: [_____]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

ENERGY SERVICES AGREEMENT – SOLAR

DPH. Baldwin Park

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 2022 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *County of Los Angeles* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of _____, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|--|
| Schedule 1 | Description of the Premises, System and Subsidy |
| Schedule 2 | Energy Services Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Estimated Annual Production |
| Schedule 5 | Notice Information |
| Schedule 6 | Labor Language |
| Schedule 7 | Specific Items for Scope of Work |
| Schedule 8 | Site Diagram |
| Schedule 9 | Acknowledgment of Upgrades, Schedule or Scope Change |

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.
 - 5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the Definitions section of Exhibit A General Terms and Conditions between the Parties.

 - 5.2 The Guaranteed Commercial Operation Date is 270 days from Guaranteed Construction Start Date.

6. Purchase Requirement; Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.
 - 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by [], or (ii) prior to the Commercial Operation Date, (A) Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, or (B) the CPUC issues a decision such that the System would not be eligible for NEM 2.0 grandfathering for at least twenty (20) years, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

Provided, however, that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual

CONFIDENTIAL AND PROPRIETARY

Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates [Insert Post(s) of person(s) authorized to Execute] as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

PROVIDER:
FFP BTM SOLAR, LLC

PURCHASER:
County of Los Angeles

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | 5050 Commerce Dr, Baldwin Park, CA 91706 |
| Site diagram attached: | X Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | Behind the meter, grid interconnected, canopy mounted solar. |
| Solar System Size: | 376.74 kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | \$0 |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

| Term Year | kWh Rate (\$/kWh) | Term Year | \$/kWh Rate (\$/kWh) |
|------------------|--------------------------|------------------|-----------------------------|
| 1 | \$0.1586 | 11 | \$0.1586 |
| 2 | \$0.1586 | 12 | \$0.1586 |
| 3 | \$0.1586 | 13 | \$0.1586 |
| 4 | \$0.1586 | 14 | \$0.1586 |
| 5 | \$0.1586 | 15 | \$0.1586 |
| 6 | \$0.1586 | 16 | \$0.1586 |
| 7 | \$0.1586 | 17 | \$0.1586 |
| 8 | \$0.1586 | 18 | \$0.1586 |
| 9 | \$0.1586 | 19 | \$0.1586 |
| 10 | \$0.1586 | 20 | \$0.1586 |

Distribution Upgrades. Purchaser acknowledges that Provider included contingency for Distribution Upgrades in the kWh Rate in the amount of \$64,000.00 (the “IX Contingency”). Within thirty (30) days of receipt of notice from the

Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, and to the extent that the distribution upgrade costs exceed the IX Contingency, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such distribution upgrade costs in excess of the IX Contingency, and the kWh rate as stated in PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs in excess of the IX Contingency, the kWh rate in PPA Rate Table will increase \$0.00074 per kWh.
- c. If the IX Contingency is in excess of the distribution upgrade costs, then: for every \$0.01 per watt DC of such difference in the distribution upgrade costs and the IX Contingency, the kWh rate in the PPA Rate Table will decrease by \$0.00074 per kWh

Scope Changes (ITC Eligible): If changes in project scope occur that are eligible for the Federal Investment Tax Credit (such as but not limited to adverse geotechnical conditions) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00046 per kWh.

Scope Changes (Non-ITC Eligible): If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (such as but not limited to additional required ADA upgrades) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- c. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- d. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00062 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.01586, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated kWh Rate increase.

Further, in no event shall the aggregate of any reductions in the kWh Rate set forth in this Schedule 2 reduce the kWh Rate below \$0.1460.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|--|--|--|--|
| 1* | \$4.33 | | -- |
| 2 | \$3.70 | | -- |
| 3 | \$3.47 | | -- |
| 4 | \$3.26 | | -- |
| 5 | \$3.06 | | -- |
| 6 | \$2.86 | 5 th Anniversary | \$2.36 |
| 7 | \$2.82 | 6 th Anniversary | \$2.32 |
| 8 | \$2.79 | 7 th Anniversary | \$2.29 |
| 9 | \$2.75 | 8 th Anniversary | \$2.25 |
| 10 | \$2.72 | 9 th Anniversary | \$2.22 |
| 11 | \$2.69 | 10 th Anniversary | \$2.19 |
| 12 | \$2.65 | 11 th Anniversary | \$2.15 |
| 13 | \$2.61 | 12 th Anniversary | \$2.11 |
| 14 | \$2.57 | 13 th Anniversary | \$2.07 |
| 15 | \$2.53 | 14 th Anniversary | \$2.03 |
| 16 | \$2.49 | 15 th Anniversary | \$1.99 |
| 17 | \$2.45 | 16 th Anniversary | \$1.95 |
| 18 | \$2.40 | 17 th Anniversary | \$1.90 |
| 19 | \$2.36 | 18 th Anniversary | \$1.86 |
| 20 | \$2.31 | 19 th Anniversary | \$1.81 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|------------------|-----------------------------------|------------------|-----------------------------------|
| 1 | 601,654 | 11 | 572,239 |
| 2 | 598,646 | 12 | 569,378 |
| 3 | 595,652 | 13 | 566,531 |
| 4 | 592,674 | 14 | 563,698 |
| 5 | 589,711 | 15 | 560,880 |
| 6 | 586,762 | 16 | 558,075 |
| 7 | 583,828 | 17 | 555,285 |
| 8 | 580,909 | 18 | 552,509 |
| 9 | 578,005 | 19 | 549,746 |
| 10 | 575,115 | 20 | 546,997 |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

V. Schedule 5 – Notice Information

Purchaser:

[]

Provider:

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 725
San Francisco, CA 94104

With a copy to

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Legal Department
100 Montgomery St., Suite 725
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Labor Requirements

- o Electrical Work is defined as handling, movement, placement, installation, or connection of any electrical wires, fixtures, raceways, conduits, solar photovoltaic modules, once delivered on-site or multiple locations on the worksite, which generates, transmits, transforms or utilizes
- o electrical energy in any form or for any purpose regardless of voltage.
- o All Electrical Work to be performed by qualified and certified personnel in accordance with Title 8 of the California Code of Regulations.
- o A minimum of sixty percent (60%) of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program.
- o All Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program.
- o At least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified.

VII. Schedule 7 – Specific Items for Scope of Work

- 1.1. All System structures shall be permitted through the authority having jurisdiction as carports or shade structures, as applicable. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption (NOE), and that a special use, conditional use, or zoning

permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant statement and summary citing exemptions applicable. Provider shall not be responsible for costs or delays associated with any unforeseen required CEQA studies, special use, conditional use, or zoning permits, or mitigations that may result from a CEQA submittal and public comment.

- 1.3. Solar arrays will be canopy height of 10' minimum clearance.
- 1.4. Provider shall be responsible for all tree trimming and tree removal in order to facilitate the installation of the Systems. Provider will remove tree such that area is flush with grade. Purchaser shall acknowledge and approve removal of trees identified by Provider, in order to install the system and such approval shall not be unreasonably withheld. Purchaser shall be responsible for the costs associated with afforestation or reforestation for any trees removed. Purchaser can elect to address afforestation or reforestation itself, or require that Provider address it through the change order process described in Schedule 2. Irrigation re-routing shall not be the responsibility of the Provider.
- 1.5. Provider intends to interconnect the System to Purchaser-owned 480V service conductors at a mutually agreeable location. Provider assumes that the existing conductors and service equipment are sufficiently capable of accepting the additional electrical load of the System. Provider shall not bear responsibility for any required upgrades to the pre-existing electrical system.
- 1.6. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
- 1.7. Provider shall be responsible for verifying and understanding existing ADA parking, striping, and paths of travel and what code-required upgrades may be necessary as a result of the System and any pre-existing non-compliance. Provider shall be responsible for all required ADA striping, signage within the solar canopy footprint and connecting to existing ADA-compliant path of travel. Provider's scope excludes any demolition, grading, paving, curb cuts, or truncated domes throughout the Premises to achieve ADA compliance, or any required ADA striping and signage outside of the solar canopy footprint and connecting to the existing ADA-compliant path of travel. Should any excluded items for ADA-compliance be required, Provider will work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay the costs associated with such upgrades, including potentially an increase in the kWh rate in Schedule 2.
- 1.8. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pier depth of 10' and diameter of 30". If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
- 1.9. Provider agrees to construct the System in no more than 1 construction phase, and that Provider will be allowed ample space, to the extent that it is available, to store material on site.
- 1.10. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.

VIII. Schedule 8 – Site Diagram



IX. Schedule 9 – Acknowledgment of Upgrades, Schedule or Scope Change

Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [_____, 20__] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- ☐ Distribution Upgrades
- ☐ Scope Changes (ITC Eligible)
- ☐ Scope Changes (Non-ITC Eligible)
- ☐ Day for Day Extension
- ☐ Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [_____]

Guaranteed Commercial Operation Date: [_____]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: _____

By: _____

Name: _____
Title: _____

Name: _____
Title: _____

ENERGY SERVICES AGREEMENT – SOLAR

El Monte Health Center

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 2022 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *County of Los Angeles* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of _____, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|--|
| Schedule 1 | Description of the Premises, System and Subsidy |
| Schedule 2 | Energy Services Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Estimated Annual Production |
| Schedule 5 | Notice Information |
| Schedule 6 | Labor Requirements |
| Schedule 7 | Specific Items for Scope of Work |
| Schedule 8 | Site Diagram |
| Schedule 9 | Acknowledgment of Upgrades, Schedule or Scope Change |

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.
 - 5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the Definitions section of Exhibit A General Terms and Conditions between the Parties.

 - 5.2 The Guaranteed Commercial Operation Date is 270 days from Guaranteed Construction Start Date.

6. Purchase Requirement; Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.
 - 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by [], or (ii) prior to the Commercial Operation Date, (A) Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, or (B) the CPUC issues a decision such that the System would not be eligible for NEM 2.0 grandfathering for at least twenty (20) years, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

 - Provided, however,* that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual

CONFIDENTIAL AND PROPRIETARY

Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates [Insert Post(s) of person(s) authorized to Execute] as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

PROVIDER:
FFP BTM SOLAR, LLC

PURCHASER:
County of Los Angeles

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | 10953 Ramona Blvd, El Monte, CA 91731 |
| Site diagram attached: | X Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | Behind the meter, grid interconnected, canopy mounted solar. |
| Solar System Size: | 869.13 kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | \$0 |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

| Term Year | kWh Rate (\$/kWh) | Term Year | \$/kWh Rate (\$/kWh) |
|------------------|--------------------------|------------------|-----------------------------|
| 1 | \$0.1683 | 11 | \$0.1683 |
| 2 | \$0.1683 | 12 | \$0.1683 |
| 3 | \$0.1683 | 13 | \$0.1683 |
| 4 | \$0.1683 | 14 | \$0.1683 |
| 5 | \$0.1683 | 15 | \$0.1683 |
| 6 | \$0.1683 | 16 | \$0.1683 |
| 7 | \$0.1683 | 17 | \$0.1683 |
| 8 | \$0.1683 | 18 | \$0.1683 |
| 9 | \$0.1683 | 19 | \$0.1683 |
| 10 | \$0.1683 | 20 | \$0.1683 |

Distribution Upgrades. Purchaser acknowledges that Provider included contingency for Distribution Upgrades in the kWh Rate in the amount of \$88,000.00 (the “IX Contingency”). Within thirty (30) days of receipt of notice from the

Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, and to the extent that the distribution upgrade costs exceed the IX Contingency, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such distribution upgrade costs in excess of the IX Contingency, and the kWh rate as stated in PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs in excess of the IX Contingency, the kWh rate in PPA Rate Table will increase \$0.00072 per kWh.
- c. If the IX Contingency is in excess of the distribution upgrade costs, then: for every \$0.01 per watt DC of such difference in the distribution upgrade costs and the IX Contingency, the kWh rate in the PPA Rate Table will decrease by \$0.00072 per kWh.

Scope Changes (ITC Eligible): If changes in project scope occur that are eligible for the Federal Investment Tax Credit (such as but not limited to adverse geotechnical conditions) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00045 per kWh.

Scope Changes (Non-ITC Eligible): If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (such as but not limited to additional required ADA upgrades) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- c. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- d. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00060 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.01683, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated kWh Rate increase.

Further, in no event shall the aggregate of any reductions in the kWh Rate set forth in this Schedule 2 reduce the kWh Rate below \$0.1610.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|--|--|--|--|
| 1* | \$4.90 | | -- |
| 2 | \$4.16 | | -- |
| 3 | \$3.91 | | -- |
| 4 | \$3.67 | | -- |
| 5 | \$3.44 | | -- |
| 6 | \$3.21 | 5 th Anniversary | \$2.71 |
| 7 | \$3.17 | 6 th Anniversary | \$2.67 |
| 8 | \$3.13 | 7 th Anniversary | \$2.63 |
| 9 | \$3.09 | 8 th Anniversary | \$2.59 |
| 10 | \$3.06 | 9 th Anniversary | \$2.56 |
| 11 | \$3.02 | 10 th Anniversary | \$2.52 |
| 12 | \$2.98 | 11 th Anniversary | \$2.48 |
| 13 | \$2.93 | 12 th Anniversary | \$2.43 |
| 14 | \$2.89 | 13 th Anniversary | \$2.39 |
| 15 | \$2.84 | 14 th Anniversary | \$2.34 |
| 16 | \$2.80 | 15 th Anniversary | \$2.30 |
| 17 | \$2.75 | 16 th Anniversary | \$2.25 |
| 18 | \$2.70 | 17 th Anniversary | \$2.20 |
| 19 | \$2.64 | 18 th Anniversary | \$2.14 |
| 20 | \$2.58 | 19 th Anniversary | \$2.08 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|------------------|-----------------------------------|------------------|-----------------------------------|
| 1 | 1,435,438 | 11 | 1,365,259 |
| 2 | 1,428,261 | 12 | 1,358,433 |
| 3 | 1,421,119 | 13 | 1,351,641 |
| 4 | 1,414,014 | 14 | 1,344,883 |
| 5 | 1,406,944 | 15 | 1,338,158 |
| 6 | 1,399,909 | 16 | 1,331,467 |
| 7 | 1,392,909 | 17 | 1,324,810 |
| 8 | 1,385,945 | 18 | 1,318,186 |
| 9 | 1,379,015 | 19 | 1,311,595 |
| 10 | 1,372,120 | 20 | 1,365,259 |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

V. Schedule 5 – Notice Information

Purchaser:

[]

Provider:

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 725
San Francisco, CA 94104

With a copy to

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Legal Department
100 Montgomery St., Suite 725
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Labor Requirements

- o Electrical Work is defined as handling, movement, placement, installation, or connection of any electrical wires, fixtures, raceways, conduits, solar photovoltaic modules, once delivered on-site or multiple locations on the worksite, which generates, transmits, transforms or utilizes
- o electrical energy in any form or for any purpose regardless of voltage.
- o All Electrical Work to be performed by qualified and certified personnel in accordance with Title 8 of the California Code of Regulations.
- o A minimum of sixty percent (60%) of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program.
- o All Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program.
- o At least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified.

VII. Schedule 7 – Specific Items for Scope of Work

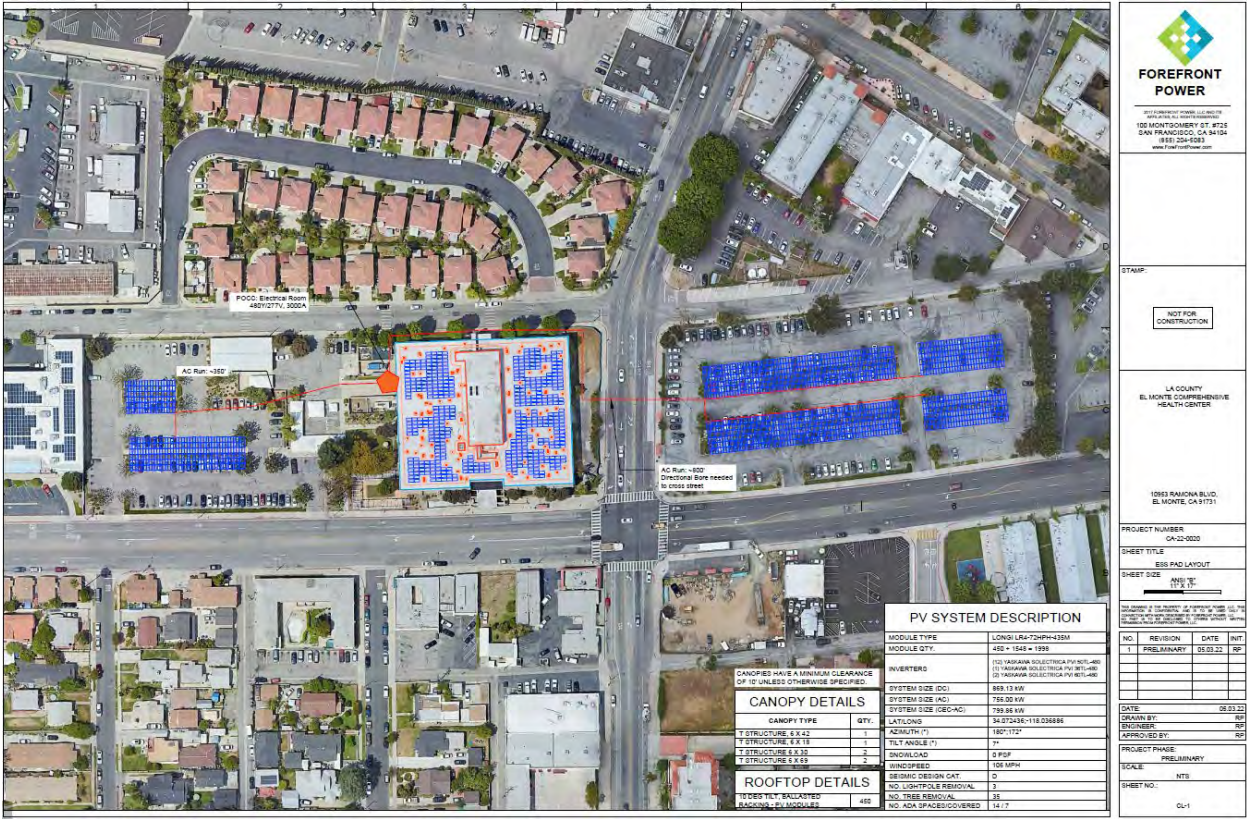
- 1.1. All System structures shall be permitted through the authority having jurisdiction as carports or shade structures, as applicable. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption (NOE), and that a special use, conditional use, or zoning

permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant statement and summary citing exemptions applicable. Provider shall not be responsible for costs or delays associated with any unforeseen required CEQA studies, special use, conditional use, or zoning permits, or mitigations that may result from a CEQA submittal and public comment.

- 1.3. Solar arrays will be canopy height of 10' minimum clearance.
- 1.4. Provider shall be responsible for all tree trimming and tree removal in order to facilitate the installation of the Systems. Provider will remove tree such that area is flush with grade. Purchaser shall acknowledge and approve removal of trees identified by Provider, in order to install the system and such approval shall not be unreasonably withheld. Purchaser shall be responsible for the costs associated with afforestation or reforestation for any trees removed. Purchaser can elect to address afforestation or reforestation itself, or require that Provider address it through the change order process described in Schedule 2. Irrigation re-routing shall not be the responsibility of the Provider.
- 1.5. Provider intends to interconnect the System to Purchaser-owned 480V service conductors at a mutually agreeable location. Provider assumes that the existing conductors and service equipment are sufficiently capable of accepting the additional electrical load of the System. Provider shall not bear responsibility for any required upgrades to the pre-existing electrical system.
- 1.6. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
- 1.7. Provider shall be responsible for verifying and understanding existing ADA parking, striping, and paths of travel and what code-required upgrades may be necessary as a result of the System and any pre-existing non-compliance. Provider shall be responsible for all required ADA striping, signage within the solar canopy footprint and connecting to existing ADA-compliant path of travel. Provider's scope excludes any demolition, grading, paving, curb cuts, or truncated domes throughout the Premises to achieve ADA compliance, or any required ADA striping and signage outside of the solar canopy footprint and connecting to the existing ADA-compliant path of travel. Should any excluded items for ADA-compliance be required, Provider will work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay the costs associated with such upgrades, including potentially an increase in the kWh rate in Schedule 2.
- 1.8. Provider assumes sufficient access points for hoisting materials to roof. Provider shall be permitted to install up to six permanent roof anchors, if required, to ensure safe access to System during Initial Term. Light damage to landscaping will be repaired by Provider, within reason.
- 1.9. Provider assumes building hosting roof mounted structures is structurally sound to hold required loads of solar infrastructure. If restoration or structural improvement is required upon further structural diligence, Purchaser shall be responsible for the costs of such improvements, provided, Provider shall work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate as provided in Schedule 2.
- 1.10. Provider assumes that rooftop installation will not require the service of a fulltime lift and operator.

- 1.11. Provider will not be constructing access to rooftop. Provider assumes access to project components through the life of project will be provided.
- 1.12. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pier depth of 10' and diameter of 30". If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
- 1.13. Provider agrees to construct the System in no more than 1 construction phase, and that Provider will be allowed ample space, to the extent that it is available, to store material on site.
- 1.14. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.

VIII. Schedule 8 – Site Diagram



IX. Schedule 9 – Acknowledgment of Upgrades, Schedule or Scope Change

Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [_____, 20__] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- ☐ Distribution Upgrades
- ☐ Scope Changes (ITC Eligible)
- ☐ Scope Changes (Non-ITC Eligible)
- ☐ Day for Day Extension
- ☐ Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [_____]

Guaranteed Commercial Operation Date: [_____]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: _____

By: _____

Name: _____
Title: _____

Name: _____
Title: _____

ENERGY SERVICES AGREEMENT – SOLAR

Library HQ

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 2022 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *County of Los Angeles* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of _____, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Terms and Conditions. The General Terms and Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The initial term of this Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Terms and Conditions), unless and until extended or terminated earlier pursuant to the provisions of this Agreement (the “Initial Term”). After the Initial Term, this Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty-five (365) days, prior to the expiration of the Initial Term, Provider shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of this Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|--|
| Schedule 1 | Description of the Premises, System and Subsidy |
| Schedule 2 | Energy Services Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Estimated Annual Production |
| Schedule 5 | Notice Information |
| Schedule 6 | Labor Requirements |
| Schedule 7 | Specific Items for Scope of Work |
| Schedule 8 | Site Diagram |
| Schedule 9 | Acknowledgment of Upgrades, Schedule or Scope Change |

4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.
 - 5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the Definitions section of Exhibit A General Terms and Conditions between the Parties.

 - 5.2 The Guaranteed Commercial Operation Date is 270 days from Guaranteed Construction Start Date.

6. Purchase Requirement; Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.
 - 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by [], or (ii) prior to the Commercial Operation Date, (A) Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, or (B) the CPUC issues a decision such that the System would not be eligible for NEM 2.0 grandfathering for at least twenty (20) years, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

Provided, however, that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual

CONFIDENTIAL AND PROPRIETARY

Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates [Insert Post(s) of person(s) authorized to Execute] as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

PROVIDER:
FFP BTM SOLAR, LLC

PURCHASER:
County of Los Angeles

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | 7400 Imperial Highway, Downey, CA 90242 |
| Site diagram attached: | X Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | Behind the meter, grid interconnected, canopy mounted solar. |
| Solar System Size: | 587.25 kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | \$0 |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

| Term Year | kWh Rate (\$/kWh) | Term Year | \$/kWh Rate (\$/kWh) |
|------------------|--------------------------|------------------|-----------------------------|
| 1 | \$0.1598 | 11 | \$0.1598 |
| 2 | \$0.1598 | 12 | \$0.1598 |
| 3 | \$0.1598 | 13 | \$0.1598 |
| 4 | \$0.1598 | 14 | \$0.1598 |
| 5 | \$0.1598 | 15 | \$0.1598 |
| 6 | \$0.1598 | 16 | \$0.1598 |
| 7 | \$0.1598 | 17 | \$0.1598 |
| 8 | \$0.1598 | 18 | \$0.1598 |
| 9 | \$0.1598 | 19 | \$0.1598 |
| 10 | \$0.1598 | 20 | \$0.1598 |

Distribution Upgrades. Purchaser acknowledges that Provider included contingency for Distribution Upgrades in the kWh Rate in the amount of \$88,000.00 (the “IX Contingency”). Within thirty (30) days of receipt of notice from the

Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, and to the extent that the distribution upgrade costs exceed the IX Contingency, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such distribution upgrade costs in excess of the IX Contingency, and the kWh rate as stated in PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs in excess of the IX Contingency, the kWh rate in PPA Rate Table will increase \$0.00072 per kWh.
- c. If the IX Contingency is in excess of the distribution upgrade costs, then: for every \$0.01 per watt DC of such difference in the distribution upgrade costs and the IX Contingency, the kWh rate in the PPA Rate Table will decrease by \$0.00072 per kWh

Scope Changes (ITC Eligible): If changes in project scope occur that are eligible for the Federal Investment Tax Credit (such as but not limited to adverse geotechnical conditions) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00045 per kWh.

Scope Changes (Non-ITC Eligible): If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (such as but not limited to additional required ADA upgrades) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- c. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- d. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00060 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.01598, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated kWh Rate increase.

Further, in no event shall the aggregate of any reductions in the kWh Rate set forth in this Schedule 2 reduce the kWh Rate below \$0.1490.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91 st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|-----------------------------------|--|---|--|
| 1* | \$4.57 | | -- |
| 2 | \$3.89 | | -- |
| 3 | \$3.65 | | -- |
| 4 | \$3.43 | | -- |
| 5 | \$3.21 | | -- |
| 6 | \$3.00 | 5 th Anniversary | \$2.50 |
| 7 | \$2.96 | 6 th Anniversary | \$2.46 |
| 8 | \$2.93 | 7 th Anniversary | \$2.43 |
| 9 | \$2.89 | 8 th Anniversary | \$2.39 |
| 10 | \$2.86 | 9 th Anniversary | \$2.36 |
| 11 | \$2.82 | 10 th Anniversary | \$2.32 |
| 12 | \$2.78 | 11 th Anniversary | \$2.28 |
| 13 | \$2.74 | 12 th Anniversary | \$2.24 |
| 14 | \$2.70 | 13 th Anniversary | \$2.20 |
| 15 | \$2.66 | 14 th Anniversary | \$2.16 |
| 16 | \$2.61 | 15 th Anniversary | \$2.11 |
| 17 | \$2.57 | 16 th Anniversary | \$2.07 |
| 18 | \$2.52 | 17 th Anniversary | \$2.02 |
| 19 | \$2.47 | 18 th Anniversary | \$1.97 |
| 20 | \$2.41 | 19 th Anniversary | \$1.91 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|-----------|----------------------------|-----------|----------------------------|
| 1 | 970,220 | 11 | 922,786 |
| 2 | 965,369 | 12 | 918,172 |
| 3 | 960,542 | 13 | 913,581 |
| 4 | 955,739 | 14 | 909,013 |
| 5 | 950,960 | 15 | 904,468 |
| 6 | 946,205 | 16 | 899,946 |
| 7 | 941,474 | 17 | 895,446 |
| 8 | 936,767 | 18 | 890,969 |
| 9 | 932,083 | 19 | 886,514 |
| 10 | 927,423 | 20 | 882,081 |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

V. Schedule 5 – Notice Information

Purchaser:

[]

Provider:

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 725
San Francisco, CA 94104

With a copy to

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Legal Department
100 Montgomery St., Suite 725
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by Provider when known]

VI. Schedule 6 – Labor Requirements

- o Electrical Work is defined as handling, movement, placement, installation, or connection of any electrical wires, fixtures, raceways, conduits, solar photovoltaic modules, once delivered on-site or multiple locations on the worksite, which generates, transmits, transforms or utilizes
- o electrical energy in any form or for any purpose regardless of voltage.
- o All Electrical Work to be performed by qualified and certified personnel in accordance with Title 8 of the California Code of Regulations.
- o A minimum of sixty percent (60%) of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program.
- o All Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program.
- o At least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified.

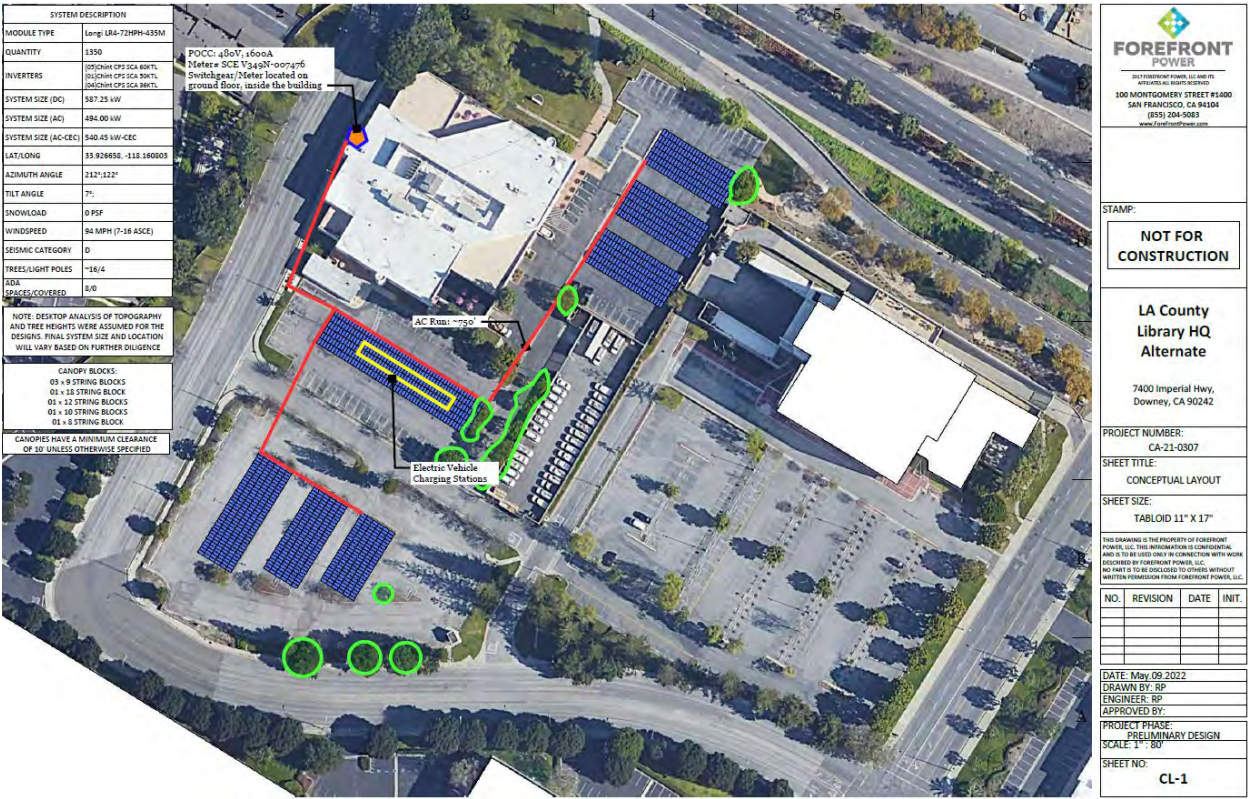
VII. Schedule 7 –Specific Items for Scope of Work

- 1.1. All System structures shall be permitted through the authority having jurisdiction as carports or shade structures, as applicable. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.
- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption (NOE), and that a special use, conditional use, or zoning permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice

of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant statement and summary citing exemptions applicable. Provider shall not be responsible for costs or delays associated with any unforeseen required CEQA studies, special use, conditional use, or zoning permits, or mitigations that may result from a CEQA submittal and public comment.

- 1.3. Solar arrays will be canopy height of 10' minimum clearance.
- 1.4. Provider shall be responsible for all tree trimming and tree removal in order to facilitate the installation of the Systems. Provider will remove tree such that area is flush with grade. Purchaser shall acknowledge and approve removal of trees identified by Provider, in order to install the system and such approval shall not be unreasonably withheld. Purchaser shall be responsible for the costs associated with afforestation or reforestation for any trees removed. Purchaser can elect to address afforestation or reforestation itself, or require that Provider address it through the change order process described in Schedule 2. Irrigation re-routing shall not be the responsibility of the Provider.
- 1.5. Provider intends to interconnect the System to Purchaser-owned 480V service conductors at a mutually agreeable location. Provider assumes that the existing conductors and service equipment are sufficiently capable of accepting the additional electrical load of the System. Provider shall not bear responsibility for any required upgrades to the pre-existing electrical system.
- 1.6. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
- 1.7. Provider shall be responsible for verifying and understanding existing ADA parking, striping, and paths of travel and what code-required upgrades may be necessary as a result of the System and any pre-existing non-compliance. Provider shall be responsible for all required ADA striping, signage within the solar canopy footprint and connecting to existing ADA-compliant path of travel. Provider's scope excludes any demolition, grading, paving, curb cuts, or truncated domes throughout the Premises to achieve ADA compliance, or any required ADA striping and signage outside of the solar canopy footprint and connecting to the existing ADA-compliant path of travel. Should any excluded items for ADA-compliance be required, Provider will work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay the costs associated with such upgrades, including potentially an increase in the kWh rate in Schedule 2.
- 1.8. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pier depth of 10' and diameter of 30". If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
- 1.9. Provider agrees to construct the System in no more than 1 construction phase, and that Provider will be allowed ample space, to the extent that it is available, to store material on site.
- 1.10. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.

VIII. Schedule 8 – Site Diagram



IX. Schedule 9 – Acknowledgment of Upgrades, Schedule or Scope Change

Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [_____, 20__] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- ☐ Distribution Upgrades
- ☐ Scope Changes (ITC Eligible)
- ☐ Scope Changes (Non-ITC Eligible)
- ☐ Day for Day Extension
- ☐ Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [_____]

Guaranteed Commercial Operation Date: [_____]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: _____

By: _____

Name: _____
Title: _____

Name: _____
Title: _____

ENERGY SERVICES AGREEMENT – SOLAR

Pomona District Office

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 2022 (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between FFP BTM SOLAR, LLC, a Delaware limited liability company (“Provider”), and *County of Los Angeles* (“Purchaser”; and, together with Provider, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that Provider install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and Provider is willing to have the Installation Work performed by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed;
- B. Provider is in the business of designing, constructing, owning, financing, and operating solar photovoltaic systems for the purpose of selling power generated by the systems to its purchasers;
- C. California Government Code sections 4217.10 et seq. authorizes a public entity to enter into energy service contracts, facility financing contracts, and related agreements to implement the State’s conservation and alternative energy supply source policy;
- D. Purchaser’s governing body has made those findings required by Government Code section 4217.12 that the anticipated cost to the Purchaser for Energy Services provided by the System under this Agreement is expected to be less than the anticipated marginal cost to the Purchaser of electrical energy that would have been consumed by Purchaser in the absence of its purchase of the Energy Services;
- E. Provider and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between FFP BTM Solar, LLC and Purchaser dated as of _____, 2022 (“General Terms and Conditions”), which are incorporated by reference as set forth herein; and
- F. The terms and conditions of this Energy Services Agreement, excluding the General Terms and Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Terms and Conditions.

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4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser's electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which Provider or its third-party service providers, or its or their respective affiliates, subsidiaries, or service providers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.
 - 5.1 The Guaranteed Construction Start Date is 730 days from Effective Date provided that the Local Electric Utility is prepared to begin its construction on any required utility, (distribution or transmission), upgrades, if any. In the event that the Local Electric Utility is not prepared to commence construction on required upgrades, if any are required, Provider will be allowed a day for day extension to the Guaranteed Construction Start Date, as defined in the Definitions section of Exhibit A General Terms and Conditions between the Parties.

 - 5.2 The Guaranteed Commercial Operation Date is 270 days from Guaranteed Construction Start Date.

6. Purchase Requirement; Energy Services Payment. "Energy Services" means the supply of electrical energy output from the System and any associated reductions in Purchaser's peak demand from its Local Electric Utility. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by Provider to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Net Energy Metering.
 - 7.1 The Parties acknowledge that the pricing assumes Net Energy Metering (NEM) 2.0 for the Initial Term. If (i) Provider fails to submit interconnection applications by [], or (ii) prior to the Commercial Operation Date, (A) Provider fails to keep such interconnection applications in good standing such that the System would not be eligible for NEM 2.0, or (B) the CPUC issues a decision such that the System would not be eligible for NEM 2.0 grandfathering for at least twenty (20) years, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee. The foregoing shall not apply to the extent Provider's failure is caused by an act or omission by Purchaser in connection with Provider's submittal of interconnection applications.

Provided, however, that in the event of a change in Applicable Law that occurs after the Commercial Operation Date and results in a loss of NEM 2.0 grandfathering, Purchaser shall have no such termination right. Provided further that Purchaser shall ensure any correspondence with the Local Electric Utility regarding the tariff and changes to the interconnection agreement are promptly shared with Provider.

8. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within sixty (60) days of each annual anniversary of the Commercial Operation Date, Provider will provide

a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

9. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the “Minimum Guaranteed Output”), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, Provider shall credit Purchaser an amount equal to Purchaser’s Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

10. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Terms and Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each (“Allowed Disruption Time”) during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.

11. Distribution Upgrades, Scope and Schedule Changes.

- 11.1 For any distribution upgrades required or changes to the scope of Installation Work made pursuant to Schedule 2 of the Special Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the description of the distribution upgrades or change in scope of the Installation Work (ii) the amount of the adjustment in the kWh Rate and Early Termination Fee that corresponds to such costs, if any (iii) changes to the Estimated Annual

CONFIDENTIAL AND PROPRIETARY

Production in Schedule IV, if any, and (iv) any change to the Guaranteed Construction Start Date and Guaranteed Commercial Operation Date resulting from such upgrades or scope changes;

- 11.2 For any day for day extensions made pursuant to Section 2.2(b) of the General Conditions, the Parties may execute an acknowledgment in the form attached hereto as Schedule 8 detailing (i) the circumstances that warrant such day for day extension and (ii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date;
- 11.3 For any extensions that are not made pursuant to Section 2.2(b) of the General Conditions, Provider may request extensions to the Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date to the extent that Provider can demonstrate to Purchaser that Provider is seeking such extension for good cause. Purchaser in its sole discretion may approve such extension(s) by executing an acknowledgment in the form attached hereto as Schedule 8 on which Provider details (i) the circumstances for which Provider deems good cause for such extension(s), (ii) the actions that Provider is taking to complete the System on a schedule agreeable to the Purchaser and (iii) the updated Guaranteed Construction Start Date and/or Guaranteed Commercial Operation Date.

For the avoidance of doubt, Purchaser designates [Insert Post(s) of person(s) authorized to Execute] as authorized to execute the acknowledgment form attached hereto as Schedule 8 provided the terms of such acknowledgment comply with this Section 11.

12. Sunlight Access. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
13. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, Provider and Purchaser have executed this Agreement as of the Effective Date.

PROVIDER:
FFP BTM SOLAR, LLC

PURCHASER:
County of Los Angeles

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | 2040 W Holt Ave, Pomona, CA 91768 |
| Site diagram attached: | X Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | Behind the meter, grid interconnected, rooftop and canopy mounted solar. |
| Solar System Size: | 477.63 kW (DC) (this is an estimate (and not a guarantee) of the System size; Provider may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | \$0 |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to Provider a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by Provider’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under this Agreement shall be in accordance with the following schedule:

PPA Rate Table

| Term Year | kWh Rate (\$/kWh) | Term Year | \$/kWh Rate (\$/kWh) |
|------------------|--------------------------|------------------|-----------------------------|
| 1 | \$0.1864 | 11 | \$0.1864 |
| 2 | \$0.1864 | 12 | \$0.1864 |
| 3 | \$0.1864 | 13 | \$0.1864 |
| 4 | \$0.1864 | 14 | \$0.1864 |
| 5 | \$0.1864 | 15 | \$0.1864 |
| 6 | \$0.1864 | 16 | \$0.1864 |
| 7 | \$0.1864 | 17 | \$0.1864 |
| 8 | \$0.1864 | 18 | \$0.1864 |
| 9 | \$0.1864 | 19 | \$0.1864 |
| 10 | \$0.1864 | 20 | \$0.1864 |

Distribution Upgrades. Purchaser acknowledges that Provider included contingency for Distribution Upgrades in the kWh Rate in the amount of \$86,500.00 (the “IX Contingency”). Within thirty (30) days of receipt of notice from the

Local Electric Utility of distribution upgrade costs required by the Local Electric Utility, and to the extent that the distribution upgrade costs exceed the IX Contingency, Purchaser will provide written notice (email is acceptable) to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such distribution upgrade costs in excess of the IX Contingency, and the kWh rate as stated in PPA Rate Table will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.
- b. For every \$0.01 per watt DC of such distribution upgrade costs in excess of the IX Contingency, the kWh rate in PPA Rate Table will increase \$0.00074 per kWh.
- c. c. If the IX Contingency is in excess of the distribution upgrade costs, then: for every \$0.01 per watt DC of such difference in the distribution upgrade costs and the IX Contingency, the kWh rate in the PPA Rate Table will decrease by \$0.00074 per kWh

Scope Changes (ITC Eligible): If changes in project scope occur that are eligible for the Federal Investment Tax Credit (such as but not limited to adverse geotechnical conditions) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- a. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- b. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00046 per kWh.

Scope Changes (Non-ITC Eligible): If changes in project scope occur that are not eligible for the Federal Investment Tax Credit (such as but not limited to additional required ADA upgrades) and such additional scope and associated costs go beyond those contemplated as part of the development and implementation of the System in this Agreement, Provider will provide reasonable documentation demonstrating the direct and actual time and materials costs relating to such associated costs, and, within 30 days of receipt of notice from Provider reasonably substantiating the associated costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

- c. Purchaser will pay the entire amount of such associated costs, and the kWh rate as stated in PPA Rate Table will remain unchanged.
- d. For every \$0.01 per watt DC of such associated costs, the kWh rate in PPA Rate Table will increase \$0.00062 per kWh.

If the aggregate of costs set forth above for which Purchaser has elected to pay for via increased kWh Rate exceed the maximum total kWh Rate increase of \$0.01864, the Provider has the option to terminate this Agreement and to remove the System pursuant to Section 2.4 of the General Conditions. In no event shall Purchaser be responsible for costs that exceed the stated kWh Rate increase.

Further, in no event shall the aggregate of any reductions in the kWh Rate set forth in this Schedule 2 reduce the kWh Rate below \$0.1730.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under this Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|--|--|--|--|
| 1* | \$5.17 | | -- |
| 2 | \$4.39 | | -- |
| 3 | \$4.12 | | -- |
| 4 | \$3.87 | | -- |
| 5 | \$3.62 | | -- |
| 6 | \$3.37 | | -- |
| 7 | \$3.33 | 5 th Anniversary | \$2.87 |
| 8 | \$3.29 | 6 th Anniversary | \$2.83 |
| 9 | \$3.25 | 7 th Anniversary | \$2.79 |
| 10 | \$3.21 | 8 th Anniversary | \$2.75 |
| 11 | \$3.17 | 9 th Anniversary | \$2.71 |
| 12 | \$3.12 | 10 th Anniversary | \$2.67 |
| 13 | \$3.08 | 11 th Anniversary | \$2.62 |
| 14 | \$3.03 | 12 th Anniversary | \$2.58 |
| 15 | \$2.98 | 13 th Anniversary | \$2.53 |
| 16 | \$2.93 | 14 th Anniversary | \$2.48 |
| 17 | \$2.88 | 15 th Anniversary | \$2.43 |
| 18 | \$2.82 | 16 th Anniversary | \$2.38 |
| 19 | \$2.76 | 17 th Anniversary | \$2.32 |
| 20 | \$2.70 | 18 th Anniversary | \$2.26 |
| | | 19 th Anniversary | \$2.20 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Estimated Annual Production

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under this Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|------------------|-----------------------------------|------------------|-----------------------------------|
| 1 | 773,761 | 11 | 735,932 |
| 2 | 769,892 | 12 | 732,252 |
| 3 | 766,042 | 13 | 728,591 |
| 4 | 762,212 | 14 | 724,948 |
| 5 | 758,401 | 15 | 721,323 |
| 6 | 754,609 | 16 | 717,716 |
| 7 | 750,836 | 17 | 714,128 |
| 8 | 747,082 | 18 | 710,557 |
| 9 | 743,346 | 19 | 707,004 |
| 10 | 739,630 | 20 | 703,469 |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1 and based on initial System designs. Provider may deliver to Purchaser an updated table on or about the Commercial Operation Date based on the actual System size and design.

V. Schedule 5 – Notice Information

Purchaser:

[]

Provider:

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 725
San Francisco, CA 94104

With a copy to

FFP BTM Solar, LLC
c/o Forefront Power, LLC
Attn: Legal Department
100 Montgomery St., Suite 725
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by Provider when known]

**VI. Schedule 6 –
Labor Requirements**

- o Electrical Work is defined as handling, movement, placement, installation, or connection of any electrical wires, fixtures, raceways, conduits, solar photovoltaic modules, once delivered on-site or multiple locations on the worksite, which generates, transmits, transforms or utilizes
- o electrical energy in any form or for any purpose regardless of voltage.
- o All Electrical Work to be performed by qualified and certified personnel in accordance with Title 8 of the California Code of Regulations.
- o A minimum of sixty percent (60%) of all Journeyman Wireman shall be graduates of a Joint Labor Management State of California Approved Electrical Apprenticeship Training Program.
- o All Apprentices performing electrical work must be indentured in a State of California Approved Joint-Labor Management Apprenticeship Program.
- o At least 10% jobsite electrical workers shall be OSHA 30-hour General Industry Safety and Health Certified.

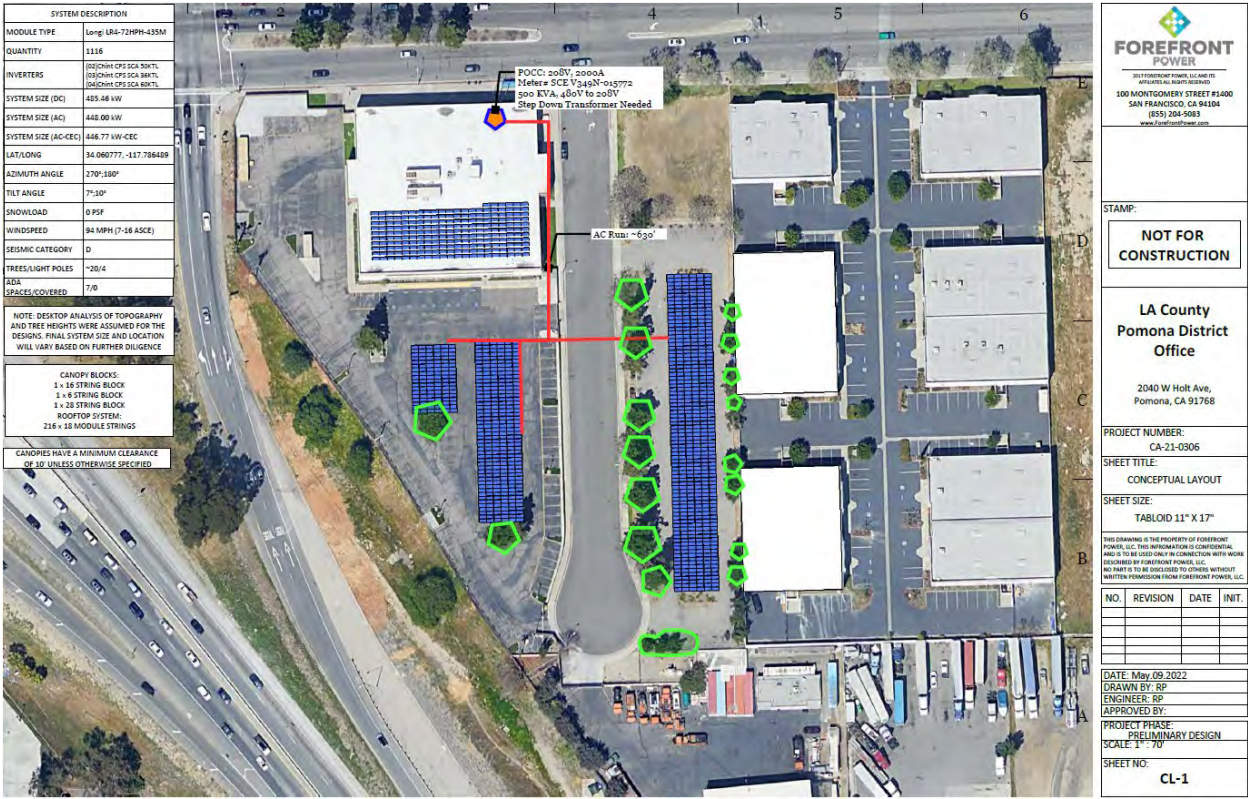
VII. Schedule 7 –Specific Items for Scope of Work

- 1.1. All System structures shall be permitted through the authority having jurisdiction as carports or shade structures, as applicable. Provider shall obtain permits on behalf of the project(s), including building department, structural, grading, and/or electrical permits as required.

- 1.2. Provider and Purchaser are operating under the assumption that the premises will be eligible for a CEQA Notice of Exemption (NOE), and that a special use, conditional use, or zoning permit will not be required. Provider assumes that Purchaser, as lead agency, will issue a Notice of Exemption for CEQA. Upon request, Provider shall provide such limited support as necessary to Purchaser to obtain the NOE, including, if necessary, biological study and associated consultant statement and summary citing exemptions applicable. Provider shall not be responsible for costs or delays associated with any unforeseen required CEQA studies, special use, conditional use, or zoning permits, or mitigations that may result from a CEQA submittal and public comment.
- 1.3. Solar arrays will be canopy height of 10' minimum clearance.
- 1.4. Provider shall be responsible for all tree trimming and tree removal in order to facilitate the installation of the Systems. Provider will remove tree such that area is flush with grade. Purchaser shall acknowledge and approve removal of trees identified by Provider, in order to install the system and such approval shall not be unreasonably withheld. Purchaser shall be responsible for the costs associated with afforestation or reforestation for any trees removed. Purchaser can elect to address afforestation or reforestation itself, or require that Provider address it through the change order process described in Schedule 2. Irrigation re-routing shall not be the responsibility of the Provider.
- 1.5. Provider intends to interconnect the System to Purchaser-owned 208V service conductors at a mutually agreeable location. Provider assumes that the existing conductors and service equipment are sufficiently capable of accepting the additional electrical load of the System. Provider shall not bear responsibility for any required upgrades to the pre-existing electrical system.
- 1.6. Provider shall be responsible for all fees associated with the interconnection application, except that Provider shall not be responsible for transmission and distribution upgrades determined necessary by the Local Electric Utility.
- 1.7. Provider shall be responsible for verifying and understanding existing ADA parking, striping, and paths of travel and what code-required upgrades may be necessary as a result of the System and any pre-existing non-compliance. Provider shall be responsible for all required ADA striping, signage within the solar canopy footprint and connecting to existing ADA-compliant path of travel. Provider's scope excludes any demolition, grading, paving, curb cuts, or truncated domes throughout the Premises to achieve ADA compliance, or any required ADA striping and signage outside of the solar canopy footprint and connecting to the existing ADA-compliant path of travel. Should any excluded items for ADA-compliance be required, Provider will work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay the costs associated with such upgrades, including potentially an increase in the kWh rate in Schedule 2.
- 1.8. Provider assumes sufficient access points for hoisting materials to roof. Provider shall be permitted to install up to six permanent roof anchors, if required, to ensure safe access to System during Initial Term. Light damage to landscaping will be repaired by Provider, within reason.
- 1.9. Provider assumes building hosting roof mounted structures is structurally sound to hold required loads of solar infrastructure. If restoration or structural improvement is required upon further structural diligence, Purchaser shall be responsible for the costs of such improvements, provided, Provider shall work with Purchaser in good faith to determine a mutually-acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate as provided in Schedule 2.
- 1.10. Provider assumes that rooftop installation will not require the service of a fulltime lift and operator.

- 1.11. Provider will not be constructing access to rooftop. Provider assumes access to project components through the life of project will be provided.
- 1.12. Provider assumes that soil conditions are not such soils that are rocky, sandy, contaminated, ground water, caving, or otherwise have problematic construction limitations. Specifically, ForeFront Power assumes no required shoring or de-watering for trenches, and a maximum required pier depth of 10' and diameter of 30". If soil conditions prove to be more adverse than these assumptions, Provider shall not be responsible for such additional expenses. Provider shall work with Purchaser in good faith to determine a mutually acceptable solution for Purchaser to pay such additional costs, including potentially an increase in the kWh rate in Schedule 2.
- 1.13. Provider agrees to construct the System in no more than 1 construction phase, and that Provider will be allowed ample space, to the extent that it is available, to store material on site.
- 1.14. Provider shall be responsible for all inspection and inspector costs associated with the installation of the system.

VIII. Schedule 8 – Site Diagram



IX. Schedule 9 – Acknowledgment of Upgrades, Schedule or Scope Change

Upgrades, Scope and/or Schedule Change Acknowledgment

This Acknowledgment is made in accordance with Section 10 of the Special Conditions, as defined in that Energy Service Agreement – [Solar], between [PURCHASER] (“Purchaser”) and FFP BTM Solar, LLC (“Provider”), dated [_____, 20__] (the “Agreement”). Upon execution by both Purchaser and Provider, this Acknowledgment shall be effective as of [INSERT DATE] (the “Acknowledgment Effective Date”).

1. Type of Change:

- ☐ Distribution Upgrades
- ☐ Scope Changes (ITC Eligible)
- ☐ Scope Changes (Non-ITC Eligible)
- ☐ Day for Day Extension
- ☐ Extension for Good Cause

2. Description of Change

[INSERT DESCRIPTION AND IF PROVIDER SEEKING EXTENSION FOR GOOD CAUSE, PROVIDER TO DETAIL CIRCUMSTANCES AND ACTIONS PROVIDER IS TAKING TO COMPLETE SYSTEM ON AGREED UPON SCHEDULE]

3. kWh Rate and Early Termination Fee [IF NO IMPACT TO RATE OR ETF THEN DELETE]

[INSERT UPDATED KWH RATE AND EARLY TERMINATION FEE TABLE]

4. Estimated Annual Production [IF NO IMPACT TO ESTIMATED ANNUAL PRODUCTION THEN DELETE]

[INSERT UPDATED SCHEDULE 4 ESTIMATED ANNUAL PRODUCTION TABLE]

5. Updated Guaranteed Construction Start Date and Guaranteed Commercial Operation Date [IF NO IMPACT TO CLIFF DATES THEN DELETE]

The Parties hereby agree that the Guaranteed Construction Start Date and the Guaranteed Commercial Operation Date as defined in the Agreement are updated as follows:

Guaranteed Construction Start Date: [_____]

Guaranteed Commercial Operation Date: [_____]

The Parties hereby acknowledge and confirm the terms set forth herein as of the Acknowledgment Effective Date.

[PURCHASER]

FFP BTM Solar, LLC

By: _____

By: _____

Name: _____
Title: _____

Name: _____
Title: _____

FACILITY LIST

1. Carson Library
151 E Carson St, Carson, CA 90745
2. DPH Baldwin Park
5050 Commerce Dr, Baldwin Park, CA 91706
3. El Monte Health Center
10953 Ramona Blvd, El Monte, CA 91731
4. Library HQ
7400 Imperial Highway, Downey, CA 90242
5. Pomona District Office
2040 W Holt Ave, Pomona, CA 91768



Los Angeles County – Pricing & Savings

| Site | SCE Blended Rate | PPA Rate | PPA Escalator | Solar System Size | Y1 Production (kWh) | % Energy Offset | Pre-Solar Utility Bill | Year 1 Savings | 20 Year Savings |
|--------------------------|------------------|----------|---------------|-------------------|---------------------|-----------------|------------------------|----------------|-----------------|
| Library HQ | \$0.2258 | \$0.1598 | 0% | 587 | 970,266 | 94% | \$233,759 | \$1,898 | \$855,617 |
| Pomona District Office | \$0.2498 | \$0.1864 | 0% | 478 | 773,767 | 83% | \$232,516 | \$708 | \$770,051 |
| Env. Health Baldwin Park | \$0.2275 | \$0.1586 | 0% | 377 | 601,602 | 41% | \$332,508 | (\$1,551) | \$460,469 |
| Carson Library | \$0.2310 | \$0.1909 | 0% | 298 | 467,953 | 70% | \$155,105 | (\$9,899) | \$225,707 |
| El Monte Health | \$0.2089 | \$0.1683 | 0% | 869 | 1,435,096 | 73% | \$410,875 | (\$24,886) | \$655,799 |
| Total | \$0.2250 | \$0.1708 | 0% | 2,608 | 4,248,684 | 70% | \$1,364,763 | (\$33,730) | \$2,967,643 |

- **On Site Solar Solutions**
 - 2.6MW across 5 Sites
- **No Upfront Cost**
- **PPA: 0% Escalation**
- **Save**
 - +\$2.9M over 20 years
- **O&M Included**
- **Solar Carport Structures**
 - Shaded Parking
 - LED Light / Security
- **Local Labor**
- **Sustainability**
 - Solar Renewable Energy Credits

Assumes 2% Annual Utility Energy and Demand Charge Escalator

Project Cashflows: Solar PPA - Carson Library

| | |
|--------------------------|----------------|
| Rate Scenario | NEM 2.0 |
| Solutions | Solar Canopy |
| Project | Carson Library |
| Year 1 Savings | -\$9,899 |
| Cumulative Savings*** | \$225,707 |
| Solar System Size (KW) | 298 |
| Storage System Size (KW) | 0 |

Financial Assumptions

| Parameter | Value |
|---------------------------------|----------|
| Year 1 PPA Rate (\$/kWh) | \$0.1909 |
| Blended SCE Rate (\$/kWh) | \$0.2310 |
| PPA Rate Escalator (%/yr) | 0.0% |
| Utility Energy Escalator (%/yr) | 2.0% |
| Utility Demand Escalator (%/yr) | 2.0% |
| PPA Term (Years) | 20 |
| Solar Degradation Rate (%) | 0.50% |

| Year | PPA Rate (\$/KWH) | KWH Generated* | Estimated Pre-Solar Utility Bill (without solar) | PPA Payment | kWh Purchased from Utility** | Total Electricity Costs (PPA + Utility) | Net Savings | Cumulative Savings |
|-------|-------------------|----------------|--|-------------|------------------------------|---|-------------|--------------------|
| 1 | 0.1909 | 467,953 | 155,105 | 89,324 | 671,592 | 165,004 | -9,899 | -9,899 |
| 2 | 0.1909 | 465,613 | 158,207 | 88,878 | 671,592 | 166,071 | -7,864 | -17,763 |
| 3 | 0.1909 | 463,285 | 161,371 | 88,433 | 671,592 | 167,171 | -5,799 | -23,562 |
| 4 | 0.1909 | 460,969 | 164,599 | 87,991 | 671,592 | 168,303 | -3,704 | -27,266 |
| 5 | 0.1909 | 458,664 | 167,891 | 87,551 | 671,592 | 169,469 | -1,579 | -28,845 |
| 6 | 0.1909 | 456,371 | 171,249 | 87,114 | 671,592 | 170,670 | 579 | -28,266 |
| 7 | 0.1909 | 454,089 | 174,674 | 86,678 | 671,592 | 171,906 | 2,768 | -25,498 |
| 8 | 0.1909 | 451,818 | 178,167 | 86,245 | 671,592 | 173,177 | 4,990 | -20,508 |
| 9 | 0.1909 | 449,559 | 181,730 | 85,813 | 671,592 | 174,484 | 7,246 | -13,262 |
| 10 | 0.1909 | 447,311 | 185,365 | 85,384 | 671,592 | 175,828 | 9,536 | -3,725 |
| 11 | 0.1909 | 445,075 | 189,072 | 84,957 | 671,592 | 177,210 | 11,862 | 8,136 |
| 12 | 0.1909 | 442,849 | 192,854 | 84,533 | 671,592 | 178,631 | 14,223 | 22,359 |
| 13 | 0.1909 | 440,635 | 196,711 | 84,110 | 671,592 | 180,090 | 16,621 | 38,980 |
| 14 | 0.1909 | 438,432 | 200,645 | 83,689 | 671,592 | 181,589 | 19,056 | 58,036 |
| 15 | 0.1909 | 436,240 | 204,658 | 83,271 | 671,592 | 183,129 | 21,529 | 79,565 |
| 16 | 0.1909 | 434,059 | 208,751 | 82,855 | 671,592 | 184,709 | 24,042 | 103,607 |
| 17 | 0.1909 | 431,888 | 212,926 | 82,440 | 671,592 | 186,332 | 26,594 | 130,201 |
| 18 | 0.1909 | 429,729 | 217,185 | 82,028 | 671,592 | 187,998 | 29,187 | 159,388 |
| 19 | 0.1909 | 427,580 | 221,528 | 81,618 | 671,592 | 189,707 | 31,821 | 191,209 |
| 20 | 0.1909 | 425,442 | 225,959 | 81,210 | 671,592 | 191,461 | 34,498 | 225,707 |
| Total | | 8,927,562 | \$3,768,646 | \$1,704,123 | \$13,431,840 | \$3,542,939 | \$225,707 | \$225,707 |

*Based on PVSyst Modeling
**Based on 2018 Usage, Per County Direction
***Assumes 2% Annual Utility Energy and Demand Charge Escalator

Project Cashflows: Solar PPA - Pomona District Office

| | |
|--------------------------|------------------------|
| Rate Scenario | NEM 2.0 |
| Solutions | Solar Canopy |
| Project | Pomona District Office |
| Year 1 Savings | \$708 |
| Cumulative Savings*** | \$770,051 |
| Solar System Size (KW) | 478 |
| Storage System Size (KW) | 0 |

| Parameter | Value |
|---------------------------------|----------|
| Year 1 PPA Rate (\$/kWh) | \$0.1864 |
| Blended SCE Rate (\$/kWh) | \$0.2498 |
| PPA Rate Escalator (%/yr) | 0.0% |
| Utility Energy Escalator (%/yr) | 2.0% |
| Utility Demand Escalator (%/yr) | 2.0% |
| PPA Term (Years) | 20 |
| Solar Degradation Rate (%) | 0.50% |

| Year | PPA Rate (\$/KWH) | KWH Generated* | Estimated Pre-Solar Utility Bill (without solar) | PPA Payment | kWh Purchased from Utility** | Total Electricity Costs (PPA + Utility) | Net Savings | Cumulative Savings |
|-------|-------------------|----------------|--|-------------|------------------------------|---|-------------|--------------------|
| 1 | 0.1864 | 773,767 | 232,516 | 144,240 | 930,957 | 231,808 | 708 | 708 |
| 2 | 0.1864 | 769,898 | 237,166 | 143,519 | 930,957 | 232,838 | 4,328 | 5,036 |
| 3 | 0.1864 | 766,049 | 241,910 | 142,801 | 930,957 | 233,907 | 8,002 | 13,038 |
| 4 | 0.1864 | 762,218 | 246,748 | 142,087 | 930,957 | 235,015 | 11,733 | 24,771 |
| 5 | 0.1864 | 758,407 | 251,683 | 141,377 | 930,957 | 236,163 | 15,519 | 40,290 |
| 6 | 0.1864 | 754,615 | 256,716 | 140,670 | 930,957 | 237,352 | 19,364 | 59,654 |
| 7 | 0.1864 | 750,842 | 261,851 | 139,966 | 930,957 | 238,583 | 23,268 | 82,922 |
| 8 | 0.1864 | 747,088 | 267,088 | 139,266 | 930,957 | 239,855 | 27,233 | 110,155 |
| 9 | 0.1864 | 743,353 | 272,430 | 138,570 | 930,957 | 241,171 | 31,259 | 141,414 |
| 10 | 0.1864 | 739,636 | 277,878 | 137,877 | 930,957 | 242,530 | 35,348 | 176,762 |
| 11 | 0.1864 | 735,938 | 283,436 | 137,188 | 930,957 | 243,933 | 39,502 | 216,265 |
| 12 | 0.1864 | 732,258 | 289,104 | 136,502 | 930,957 | 245,382 | 43,722 | 259,987 |
| 13 | 0.1864 | 728,597 | 294,887 | 135,819 | 930,957 | 246,877 | 48,009 | 307,996 |
| 14 | 0.1864 | 724,954 | 300,784 | 135,140 | 930,957 | 248,420 | 52,365 | 360,361 |
| 15 | 0.1864 | 721,329 | 306,800 | 134,465 | 930,957 | 250,009 | 56,791 | 417,151 |
| 16 | 0.1864 | 717,722 | 312,936 | 133,792 | 930,957 | 251,648 | 61,288 | 478,439 |
| 17 | 0.1864 | 714,134 | 319,195 | 133,123 | 930,957 | 253,336 | 65,859 | 544,298 |
| 18 | 0.1864 | 710,563 | 325,579 | 132,458 | 930,957 | 255,075 | 70,504 | 614,801 |
| 19 | 0.1864 | 707,010 | 332,090 | 131,795 | 930,957 | 256,865 | 75,225 | 690,027 |
| 20 | 0.1864 | 703,475 | 338,732 | 131,137 | 930,957 | 258,707 | 80,025 | 770,051 |
| Total | | 14,761,853 | \$5,649,528 | \$2,751,793 | 18,619,140 | \$4,879,476 | \$770,051 | \$770,051 |

*Based on PVSyst Modeling
 **Based on 2019 Usage, Per County Direction
 ***Assumes 2% Annual Utility Energy and Demand Charge Escalator

Project Cashflows: Solar PPA - Env. Health Baldwin Park

| | |
|---------------------------------|---------------------------------|
| Rate Scenario | NEM 2.0 |
| Solutions | Solar Canopy |
| Project | Env. Health Baldwin Park |
| Year 1 Savings | -\$1,551 |
| Cumulative Savings*** | \$460,469 |
| Solar System Size (KW) | 377 |
| Storage System Size (KW) | 0 |

| <i>Parameter</i> | <i>Value</i> |
|---------------------------------|--------------|
| Year 1 PPA Rate (\$/kWh) | \$0.1586 |
| Blended SCE Rate (\$/kWh) | \$0.2275 |
| PPA Rate Escalator (%/yr) | 0.0% |
| Utility Energy Escalator (%/yr) | 2.0% |
| Utility Demand Escalator (%/yr) | 2.0% |
| PPA Term (Years) | 20 |
| Solar Degradation Rate (%) | 0.50% |

| Year | PPA Rate (\$/KWH) | KWH Generated* | Estimated Pre-Solar Utility Bill (without solar) | PPA Payment | kWh Purchased from Utility** | Total Electricity Costs (PPA + Utility) | Net Savings | Cumulative Savings |
|--------------|-------------------|-------------------|--|--------------------|------------------------------|---|------------------|--------------------|
| 1 | 0.1586 | 601,602 | 332,508 | 95,442 | 1,461,282 | 334,059 | -1,551 | -1,551 |
| 2 | 0.1586 | 598,594 | 339,158 | 94,965 | 1,461,282 | 338,354 | 804 | -747 |
| 3 | 0.1586 | 595,601 | 345,941 | 94,490 | 1,461,282 | 342,747 | 3,194 | 2,447 |
| 4 | 0.1586 | 592,623 | 352,860 | 94,018 | 1,461,282 | 347,240 | 5,620 | 8,067 |
| 5 | 0.1586 | 589,660 | 359,917 | 93,548 | 1,461,282 | 351,834 | 8,083 | 16,150 |
| 6 | 0.1586 | 586,712 | 367,116 | 93,080 | 1,461,282 | 356,532 | 10,583 | 26,733 |
| 7 | 0.1586 | 583,778 | 374,458 | 92,615 | 1,461,282 | 361,336 | 13,122 | 39,855 |
| 8 | 0.1586 | 580,859 | 381,947 | 92,152 | 1,461,282 | 366,247 | 15,700 | 55,555 |
| 9 | 0.1586 | 577,955 | 389,586 | 91,691 | 1,461,282 | 371,268 | 18,318 | 73,873 |
| 10 | 0.1586 | 575,065 | 397,378 | 91,232 | 1,461,282 | 376,401 | 20,976 | 94,849 |
| 11 | 0.1586 | 572,190 | 405,325 | 90,776 | 1,461,282 | 381,649 | 23,677 | 118,526 |
| 12 | 0.1586 | 569,329 | 413,432 | 90,322 | 1,461,282 | 387,012 | 26,420 | 144,945 |
| 13 | 0.1586 | 566,482 | 421,700 | 89,871 | 1,461,282 | 392,494 | 29,206 | 174,152 |
| 14 | 0.1586 | 563,650 | 430,134 | 89,421 | 1,461,282 | 398,097 | 32,037 | 206,188 |
| 15 | 0.1586 | 560,832 | 438,737 | 88,974 | 1,461,282 | 403,824 | 34,913 | 241,102 |
| 16 | 0.1586 | 558,027 | 447,512 | 88,529 | 1,461,282 | 409,676 | 37,836 | 278,937 |
| 17 | 0.1586 | 555,237 | 456,462 | 88,087 | 1,461,282 | 415,656 | 40,806 | 319,743 |
| 18 | 0.1586 | 552,461 | 465,591 | 87,646 | 1,461,282 | 421,767 | 43,824 | 363,567 |
| 19 | 0.1586 | 549,699 | 474,903 | 87,208 | 1,461,282 | 428,011 | 46,892 | 410,459 |
| 20 | 0.1586 | 546,950 | 484,401 | 86,772 | 1,461,282 | 434,391 | 50,010 | 460,469 |
| Total | | 11,477,305 | \$8,079,066 | \$1,820,841 | 29,225,640 | \$7,618,597 | \$460,469 | \$460,469 |

*Based on PVSyst Modeling

**Based on 2019 Usage, Per County Direction

***Assumes 2% Annual Utility Energy and Demand Charge Escalator

Project Cashflows: Solar PPA - El Monte Health Center

| | |
|--------------------------|------------------------|
| Rate Scenario | NEM 2.0 |
| Solutions | Solar Canopy |
| Project | El Monte Health Center |
| Year 1 Savings | -\$24,886 |
| Cumulative Savings*** | \$655,799 |
| Solar System Size (KW) | 869 |
| Storage System Size (KW) | 0 |

| Parameter | Value |
|---------------------------------|----------|
| Year 1 PPA Rate (\$/kWh) | \$0.1683 |
| Blended SCE Rate (\$/kWh) | \$0.2089 |
| PPA Rate Escalator (%/yr) | 0.0% |
| Utility Energy Escalator (%/yr) | 2.0% |
| Utility Demand Escalator (%/yr) | 2.0% |
| PPA Term (Years) | 20 |
| Solar Degradation Rate (%) | 0.50% |

| Year | PPA Rate (\$/KWH) | KWH Generated* | Estimated Pre-Solar Utility Bill (without solar) | PPA Payment | kWh Purchased from Utility** | Total Electricity Costs (PPA + Utility) | Net Savings | Cumulative Savings |
|-------|-------------------|----------------|--|-------------|------------------------------|---|-------------|--------------------|
| 1 | 0.1683 | 1,435,096 | 410,875 | 241,493 | 1,967,313 | 435,761 | -24,886 | -24,886 |
| 2 | 0.1683 | 1,427,921 | 419,092 | 240,285 | 1,967,313 | 438,439 | -19,346 | -44,232 |
| 3 | 0.1683 | 1,420,781 | 427,474 | 239,084 | 1,967,313 | 441,200 | -13,726 | -57,959 |
| 4 | 0.1683 | 1,413,677 | 436,024 | 237,888 | 1,967,313 | 444,047 | -8,024 | -65,982 |
| 5 | 0.1683 | 1,406,609 | 444,744 | 236,699 | 1,967,313 | 446,981 | -2,237 | -68,219 |
| 6 | 0.1683 | 1,399,576 | 453,639 | 235,515 | 1,967,313 | 450,003 | 3,636 | -64,583 |
| 7 | 0.1683 | 1,392,578 | 462,712 | 234,338 | 1,967,313 | 453,115 | 9,596 | -54,987 |
| 8 | 0.1683 | 1,385,615 | 471,966 | 233,166 | 1,967,313 | 456,319 | 15,647 | -39,340 |
| 9 | 0.1683 | 1,378,687 | 481,405 | 232,000 | 1,967,313 | 459,616 | 21,789 | -17,551 |
| 10 | 0.1683 | 1,371,793 | 491,033 | 230,840 | 1,967,313 | 463,009 | 28,025 | 10,474 |
| 11 | 0.1683 | 1,364,934 | 500,854 | 229,686 | 1,967,313 | 466,498 | 34,356 | 44,830 |
| 12 | 0.1683 | 1,358,110 | 510,871 | 228,538 | 1,967,313 | 470,086 | 40,785 | 85,615 |
| 13 | 0.1683 | 1,351,319 | 521,089 | 227,395 | 1,967,313 | 473,774 | 47,315 | 132,930 |
| 14 | 0.1683 | 1,344,563 | 531,510 | 226,258 | 1,967,313 | 477,565 | 53,946 | 186,876 |
| 15 | 0.1683 | 1,337,840 | 542,141 | 225,127 | 1,967,313 | 481,459 | 60,681 | 247,557 |
| 16 | 0.1683 | 1,331,151 | 552,983 | 224,001 | 1,967,313 | 485,460 | 67,523 | 315,080 |
| 17 | 0.1683 | 1,324,495 | 564,043 | 222,881 | 1,967,313 | 489,570 | 74,473 | 389,554 |
| 18 | 0.1683 | 1,317,872 | 575,324 | 221,767 | 1,967,313 | 493,789 | 81,535 | 471,089 |
| 19 | 0.1683 | 1,311,283 | 586,830 | 220,658 | 1,967,313 | 498,121 | 88,710 | 559,798 |
| 20 | 0.1683 | 1,304,727 | 598,567 | 219,555 | 1,967,313 | 502,566 | 96,000 | 655,799 |
| Total | | 27,378,624 | \$9,983,176 | \$4,607,173 | 39,346,260 | \$9,327,377 | \$655,799 | \$655,799 |

*Based on PVSyst Modeling
**Based on 2019 Usage, Per County Direction
***Assumes 2% Annual Utility Energy and Demand Charge Escalator



SPURR RENEWABLE ENERGY AGGREGATED PROCUREMENT (REAP) PROGRAM MASTER CONTRACT

This SPURR REAP Master Contract (this “RMC”), is made effective as of October 26, 2017 (the “Effective Date”), by and between the School Project for Utility Rate Reduction, a California joint powers authority (“SPURR”) and ForeFront Power, LLC, a Delaware Limited Liability Company (“Vendor”).

BACKGROUND

- A. SPURR is a “Joint Powers Authority” formed by California public school districts, county offices of education, and community college districts pursuant to the California Joint Exercise of Powers Act. SPURR, with over 240 member organizations, aggregates purchasing power and expertise for thousands of public agency facilities across California. SPURR programs include natural gas, electricity, LED lighting, utilities data management and conservation, telecommunications and networking, solar energy and energy storage, and demand response.
- B. Pursuant to SPURR’s Joint Powers Agreement and to SPURR Board of Directors Resolution No. 14-01, SPURR is duly authorized to create and operate one or more aggregated solar procurement programs, herein referred to collectively as the Renewable Energy Aggregated Procurement Program (the “REAP Program”).
- C. SPURR’s REAP Program is an innovative aggregated solar procurement program that leverages the collective purchasing power of SPURR’s large membership to secure transparent, pre-negotiated solar project pricing and terms to be made available to SPURR members and other Eligible Entities. “Eligible Entities” mean:
 - California public school districts, county offices of education, and community college districts, whether they are members of SPURR or not.
 - Other public agencies or non-profit educational entities in California whose procurement rules (whether internal rules or statutory requirements), allow them to purchase goods or services through a procurement vehicle such as SPURR.
- D. On July 19, 2017, SPURR issued a REAP Program Request for Proposals (the “RFP”), seeking prospective vendor terms and conditions for solar and energy storage projects (“Projects”). The RFP specified that the pricing and terms of any award made pursuant to the RFP would be made available to Eligible Entities.
- E. The REAP Program and RFP is intended to benefit Eligible Entities by providing:
 - A streamlined, transparent, and competitive procurement process for Projects.
 - The best available Project pricing, obtained by taking advantage of SPURR’s purchasing power and experience in competitive energy procurement.
 - Minimized administrative strain associated with Project procurement, including reduced time and expense dedicated to the procurement process.
 - Competitively procured, easily understood terms and conditions of service.
 - Access to firm Project pricing and terms, so that estimated Project returns on investment and other benefits and risks can be quickly and accurately assessed.
- F. Fresno Unified School District (“Fresno USD”), recognizing the benefits of participating in SPURR’s REAP Program, acted as a cooperating agency in the RFP process. Fresno USD worked with SPURR to develop the RFP scope of work, assisted with vendor site walks,

participated in the scoring of proposals and the selection of Vendor, and signed a “Letter of Intent to Participate as Cooperating Agency” signifying their intent to utilize Vendor if they proceed with Projects in 2017 or 2018.

- G. Seven Eligible Entities provided commitments of support for the REAP Program RFP (“Letters of Support”), including Atascadero USD, Contra Costa Community College District, Franklin-McKinley School District, Paramount USD, San Francisco USD, San Mateo-Foster City School District, and State Center Community College District.
- H. SPURR invited qualified vendors to submit qualifications, pricing, terms, and designs for illustrative sample Projects and for eight Fresno USD Projects. SPURR advertised the RFP by publication and by distributing the RFP by email to more than seventy (70) prospective solar vendors, energy storage vendors, consultants, and suppliers.
- I. For each Project included in the RFP, SPURR provided a detailed list of Project includes, excludes, specifications, and assumptions. In response to questions submitted by interested vendors, SPURR issued one or more Addenda to the RFP.
- J. SPURR received eight (8) responses to the RFP. SPURR evaluated all responses which complied with the terms of the RFP, using best value criteria including but not limited to an evaluation of the quality of the submitted proposals, proposed pricing, system value, system design and features, relevant experience with similar projects, team member qualifications, financial viability, vendor’s ability to provide quality service to SPURR’s large membership, and feedback from references.
- K. SPURR used the following system in scoring RFP proposals:
 - Company Profile and Financial Strength: 15%
 - Company Background, Experience, and References: 20%
 - Project Design and Project Approach: 20%
 - Pricing and Proposed Terms: 45%
 - TOTAL: 100%
- L. SPURR selected Vendor for an award under the RFP. Additional information regarding Vendor is set forth in Appendix A to this RMC. The pricing and terms proposed by Vendor, as described in this RMC, will represent a transparent offer that Eligible Entities can adopt to meet their unique Project needs.
- M. The parties are entering into this RMC to evidence the terms and conditions of the award to Vendor.

AGREEMENT

Now, therefore, for good and valuable consideration, the parties agree as follows.

1. GRANT AND ACCEPTANCE OF AWARD

SPURR awards this RMC to Vendor under the RFP at the prices and terms (the “Vendor Offer”) listed in Appendix B. Vendor accepts such award, confirms Vendor’s acceptance of all terms and conditions of the RFP, and confirms its obligations to honor the representations or commitments made by Vendor in its response to the RFP (“Vendor’s RFP Response”). The terms and conditions of the RFP, and the representations and commitments of Vendor’s RFP Response are hereby incorporated by reference into this RMC.

The Vendor Offer will be available for acceptance by Eligible Entities through December 31, 2019 (the “Vendor Offer Deadline”); provided, that SPURR and Vendor may mutually agree to extend the Vendor Offer Deadline for an additional period of up to two years.

The pricing and terms described in Vendor Offer are considered firm and may be adjusted only to the extent that Vendor can satisfactorily demonstrate to an Eligible Entity and to SPURR that a prospective Project differs significantly from the detailed list of Project inclusions, exclusions, assumptions, and specifications detailed in the RFP and listed in Appendix C.

2. PROGRAM PARTICIPATION

A “Participant” in the REAP Program is any Eligible Entity that uses or references the REAP Program as the basis for their selection of Vendor to implement one or more Projects.

A “REAP Project Agreement” means any power purchase agreement (“PPA”), design/build contract, lease, energy storage agreement, performance guarantee, or similar agreement, or any combination of such agreements, related to a Participant’s Project to be implemented by Vendor, including any amendment, revision, extension, or renewal of such agreements.

REAP Project Agreements may relate to Projects located at sites controlled by the Participant, or located at other sites (as in an “over the fence” agreement or a “community solar” arrangement), so long as Participant selects Vendor to implement the Project on their behalf.

Eligible Entities may authorize Vendor to perform feasibility studies, conduct site inspections, and provide binding offers for prospective Projects. Eligible Entities are not obligated to procure Projects with Vendor and are not responsible for any costs incurred by Vendor for conducting its feasibility study, site inspections, offer preparation or any other activity prior to execution of a REAP Project Agreement.

When presenting a Project proposal to an Eligible Entity, Vendor must describe and support in writing any deviations from the pricing and terms memorialized in this RMC. At the request of an Eligible Entity, SPURR will review Vendor’s offer for reasonable conformity with this RMC and will report the results of such review to the Eligible Entity. SPURR’s review will not constitute a legal review or a feasibility study.

3. PROGRAM PROMOTION

Vendor will use commercially reasonable efforts to conduct marketing, educational, and sales efforts to promote the REAP Program and Vendor Offer secured through the RFP and under this RMC (“Vendor Marketing”). Vendor will provide regular updates, at least weekly, to SPURR regarding Vendor Marketing, including a list of prospective Participants with contact information. Vendor shall provide a single point of contact with the authority and responsibility for the overall success of the SPURR REAP Program.

Vendor will take the lead in generating interest in the REAP Program, with SPURR in a supporting role, and will use the RMC as Vendor’s preferred form of contracting with Eligible Entities. Vendor’s sales force will be trained and engaged in the promotion of the REAP Program and the RMC for the duration of the contract term. Vendor will not encourage or induce an Eligible Entity to procure a Project outside of the REAP RFP Program.

SPURR will use commercially reasonable efforts to support Vendor Marketing. SPURR will promote the REAP Program through the creation of marketing materials, digital marketing campaigns, and active outreach to its constituents. SPURR will promptly provide electronic copies of REAP Program documentation to any Eligible Entity upon request.

SPURR will schedule periodic reviews to evaluate the Selected Vendor's performance of the commitments outlined in this RFP. If Selected Vendor reports "No Sales" for three (3) consecutive quarters, the Selected Vendor may be put on probationary status for one (1) additional quarter. If "No Sales" are reported during the probationary period, the Vendor Awarded contract will be subject to immediate termination by SPURR.

Each party to this RMC represents to the other party that it will conform to the highest industry professional standards in all marketing and implementation activities related to this RMC and the REAP Program.

4. USE AND LIMITATIONS OF REAP PROGRAM

Each Eligible Entity will (a) determine for itself whether participation in the REAP Program and use of this RMC complies with their procurement rules, (b) determine for itself whether Vendor's offer suits their needs for a Project, (c) authorize, pursuant to California Government Code sections 4217.10-4217.18 or such other law or regulation as they determine is appropriate, the execution and delivery to Vendor of a REAP Project Agreement and any other documentation necessary or appropriate to complete a Project.

Nothing in the RFP or this RMC may be construed as SPURR's provision of legal, engineering, financial, or technical advice to Vendor, Eligible Entities, or Participants. Nothing in the RFP or this RMC may be construed as SPURR's recommendation to Vendor, Eligible Entities, or Participants regarding a specific Project's size, scope, delivery date, or suitability for the needs of an Eligible Entity or Participant.

SPURR will not provide warranties regarding Projects or performance by Vendor, will not represent Vendor in the resolution of disputes with Eligible Entities or Participants, and will not guarantee payment by Participants.

5. ADMINISTRATIVE FEES

Vendor acknowledges that they will benefit from the REAP Program by avoiding the time and expense required to go through competitive bidding processes with individual Eligible Entities, and by publicizing their status as the winner of a SPURR competitive procurement. These benefits will increase Vendor's potential business opportunities and provide significant advantages in the marketplace. In consideration of these benefits, Vendor will pay administrative fees ("Administrative Fees") to SPURR as described in the RFP and set forth in this RMC.

Vendor acknowledges and that Administrative Fees do not constitute additional fees over and above the pricing memorialized in this RMC. Vendor acknowledges that they are solely responsible for payment of Administrative Fees.

Administrative Fees will be due to SPURR (a) for each REAP Project Agreement signed between a Participant and Vendor, or any affiliate of Vendor, and, in addition (b) for each Notice to Proceed or other document authorizing commencement of construction (an "NTP") under a REAP Project Agreement. For the avoidance of doubt, the Administrative Fee associated with issuance of NTP shall only be payable if NTP is actually issued for such Project. NTP means that Vendor has commenced construction on the Project. Within three (3) business days of construction commencement, Vendor will issue NTP documentation to SPURR verifying that construction has commenced and provide final Project size.

Administrative Fees will be calculated based on the following table:

| | Execution of REAP Project Agreement by Participant | Issuance of NTP |
|---------------------------------|--|--------------------------|
| Type of Project: Solar PV | \$0.0425 / Watt-DC | \$0.0425 / Watt-DC |
| Type of Project: Energy Storage | \$0.02125 / Watt-hour-DC | \$0.02125 / Watt-hour-DC |

Project size will be based on the Project capacity described in the executed REAP Project Agreement or NTP.

Payment of Administrative Fees will be due within twenty (20) days of invoice by SPURR. Past due Administrative Fees will be subject to late fees and costs of collection. Late fees shall accrue at the rate of one and one half percent (1.5%) per month on all past due Administrative Fee balances until payment is received by SPURR. In addition, SPURR shall be entitled to recover from Vendor reasonable costs of collection, including reasonable attorney's fees, for any past due Administrative Fees or for late fees.

6. VENDOR OBLIGATION TO PROVIDE DOCUMENTATION

Documentation and notifications sent pursuant to this section shall be emailed to solar@spurr.org.

Vendor will notify SPURR by email within five (5) business days after Vendor learns that any Eligible Entity intends to become a Participant.

Not later than five (5) business days after an Eligible Entity executes a REAP Project Agreement, Vendor shall email SPURR an executed copy of the REAP Project Agreement, in pdf format.

Not later than five (5) business days after an NTP is issued for any Project, Vendor shall email SPURR a copy of the NTP, in pdf format. NTPs must include the issuance or construction commencement date, Project capacity size in W-DC or Watt-hour-DC, location, and Participant name.

Vendor will promptly provide SPURR with other documentation directly related to implementation of a REAP Project Agreement as may be reasonably requested by SPURR, including utility interconnection studies and applications, utility incentive program studies and applications, and Project implementation schedules.

7. INDEMNIFICATION

Vendor will indemnify, defend and hold harmless SPURR and any Participant contracting with Vendor under this RMC ("Indemnified Parties") from any and all claims, demands, suits, proceedings, loss, cost and damages of every kind and description, including any attorney's fees or litigation expenses, which might be brought against or incurred by Indemnified Parties on account of loss or damage to any property or for injuries to or death of any person, caused by, arising out of, or contributed to, in whole or in part, by reasons of any act, omission, professional error, fault, mistake, or negligence of Vendor, its employees, agents, representatives, or subcontractors in connection with or incident to this RMC, or arising out of worker's compensation claims, unemployment compensation claims, or unemployment disability compensation claims of employees of Vendor, or its subcontractors or claims under similar laws or obligations. Vendor's indemnification obligation will not extend to liability caused by the negligence of Indemnified Parties.

8. ATTORNEYS' FEES

If any action at law or in equity is brought to enforce or interpret the provisions of this RMC, the prevailing party will be entitled to reasonable attorneys' fees, in addition to any other relief to which the party may be entitled.

9. SEVERABILITY

If any provision of this RMC is held invalid or unenforceable by a court of competent jurisdiction, no other provision of this RMC will be affected by such holding, and all of the remaining provisions of this RMC will continue in full force and effect.

10. FORCE MAJEURE EVENTS

A "Force Majeure Event" means any act or event that prevents the affected party to this RMC (the "Affected Party") from timely performing its obligations under this RMC, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the Affected Party and the Affected Party has been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums); provided, that a Force Majeure Event shall not be based on the economic hardship of an Affected Party, or upon the termination or expiration of any contractual rights in favor of the Affected Party.

Except as otherwise provided in this RMC, the Affected Party shall not be considered in breach of the RMC or liable for its delay or failure to comply with the RMC for a period not to exceed ninety (90) days, and only to the extent that such delay or failure is directly attributable to a Force Majeure Event; provided, that the Affected Party shall, as soon as practicable after becoming aware of the circumstances constituting Force Majeure (i) notify the other party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other party in writing of the cessation or termination of said Force Majeure Event and (iv) resume performance of its obligations hereunder as soon as practicable thereafter.

Notwithstanding any other provision of this RMC, a Force Majeure Event shall not excuse any delay or failure of the Affected Party to timely pay the other party amounts due under this RMC.

11. ASSIGNMENT

Vendor shall not assign all or part of its interest in this RMC without SPURR's prior written consent, which consent shall not be unreasonably withheld. Any assignment by Vendor of an interest in this RMC shall not release Vendor of its obligations under this RMC, except with SPURR's express written consent, which SPURR may choose to provide in its sole discretion.

12. DEFAULTS

A "Vendor Default" means any of the following events:

(a) Vendor defaults on any obligation under this RMC and such default is not cured within thirty (30) days after notice of the default from SPURR to Vendor, except to the extent that delay in performance of its obligations is excused by a Force Majeure Event,

(b) any REAP Project Agreement default by Vendor, or by any affiliate of Vendor obligated under a REAP Project Agreement, which is not cured within the time for cure provided in that REAP Project Agreement,

(c) the commencement by Vendor, or by any affiliate of Vendor obligated under a REAP Project Agreement, of a voluntary case under title 11 of the United States Code or the corresponding provisions of any successor laws (the "Bankruptcy Code"),

(d) the commencement of an involuntary case against Vendor, or against any affiliate of Vendor obligated under a REAP Project Agreement, under the Bankruptcy Code if either (i) the case is not dismissed within sixty (60) days after commencement or (ii) the court before which the case is pending issues an order for relief or similar order approving the case,

(e) a court of competent jurisdiction appoints, or the Vendor, or any affiliate of Vendor obligated under a REAP Project Agreement, makes an assignment of all or substantially all of its assets to, a custodian (as that term is defined in the Bankruptcy Code) for the Vendor, or for any affiliate of Vendor obligated under a REAP Project Agreement, or

(f) Vendor, or any affiliate of Vendor obligated under a REAP Project Agreement, fails generally to pay their debts as they become due (unless those debts are subject to a good-faith dispute as to liability or amount) or acknowledges in writing that it is unable to do so.

In the event of a Vendor Default, SPURR may pursue any and all available remedies against Vendor, including immediate revocation of the award to Vendor under the RFP and termination of this RMC.

If SPURR defaults on any obligation under this RMC (a "SPURR Default") and such default is not cured within thirty (30) days after notice of the default from Vendor to SPURR, except to the extent that delay in performance of its obligations is excused by a Force Majeure Event, then Vendor may pursue any and all available remedies against SPURR, including termination of this RMC.

13. TERM AND TERMINATION

This RMC will terminate on the Vendor Offer Deadline, including any extension of the Vendor Offer Deadline, unless earlier terminated due to Vendor Default or a SPURR Default. Termination of this RMC will not excuse timely performance by any party of obligations to the other party incurred prior to such termination. The following sections of this RMC will survive any termination of this RMC: Vendor Obligation to Provide Documentation, Administrative Fees, Indemnification, Attorneys' Fees, Governing Law, Relationship Of The Parties, and Notices.

14. GOVERNING LAW

This RMC shall be governed by California law, without regard to principles of conflicts of law.

15. RELATIONSHIP OF THE PARTIES

The relationship between the parties to this RMC shall not be that of partners, agents, or joint ventures for one another. The parties to this RMC, in performing any of their obligations under this RMC, shall be independent parties and shall discharge their obligations at their own risk.

16. NOTICES

All notices under this RMC must be in writing and will be effective (a) immediately upon delivery in person or by messenger, (b) two (2) business days after prepaid deposit with a commercial courier or delivery service for next day delivery, (c) upon receipt by facsimile as established by evidence of successful transmission, or (d) five (5) business days after deposit with the US Postal Service, certified mail, return receipt requested, postage prepaid.

All notices must be properly addressed to the addresses set forth on the signature page to this RMC, or at such other addresses as either party may subsequently designate by notice.

17. COUNTERPARTS AND DELIVERY

This RMC may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument. This RMC may be duly executed and delivered by a party's

execution and facsimile or electronic delivery (in pdf format) of the signature page of a counterpart to the other party.

IN WITNESS WHEREOF, the parties have executed this RMC as of the Effective Date.

SCHOOL PROJECT FOR UTILITY RATE
REDUCTION, a California joint powers
authority

By: _____

Michael Rochman

Managing Director

Address for Notice:

Attn: Managing Director

1850 Gateway Blvd, Suite 235

Concord, CA 94520

Phone: (925)743-1292

Email: Service@spurr.org

ForeFront Power LLC, a Delaware limited
liability company

By: _____

Print Name: Rafael Dobrzynski

Print Title: Chief Executive Officer

Address for Notice:

Attn: Rafael Dobrzynski

Address: 100 Montgomery Street Suite 1400

City, State, Zip: San Francisco, CA 94104

Phone: 855-204-5083

Email: rd@forefrontpower.com



APPENDIX A – VENDOR INFORMATION

Vendor: ForeFront Power LLC

SPURR Board Authorization: Resolution No. 14-01

RFP Issued: 07/19/2017

RFP Title: Renewable Energy Aggregated Procurement (REAP) Program Request for Proposals (RFP)

Sales Contact #1

Name: Brian Taylor
Title: Sales Director
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 650-743-7880
Alt Phone: _____
Email: btaylor@forefrontpower.com

Technical Contact

Name: Nate Roberts
Title: Senior Project Manager
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 916.402.7277
Alt Phone: _____
Email: nroberts@forefrontpower.com

Sales Contact #2

Name: Sam Youneszadeh
Title: Chief Development Officer
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 310-922-8424
Alt Phone: _____
Email: sy@forefrontpower.com

Other Contact (Optional)

Name: _____
Title: _____
Address: _____
City, St, Zip: _____
Phone: _____
Alt Phone: _____
Email: _____

APPENDIX B – VENDOR OFFER

Vendor: ForeFront Power, LLC

SPURR Board Authorization: Resolution No. 14-01

RFP Issued: 07/19/2017

RFP Title: Renewable Energy Aggregated Procurement (REAP) Program Request for Proposals (RFP)

Background: Vendor Offer is based on a list of Project includes, excludes, assumptions, specifications, and sample site maps provided to Vendor in the RFP and as provided in Appendix C. Vendor was required to submit system designs, pricing, and terms for Projects at two sample elementary schools, two sample middle schools, a sample RES-BCT ground-mount project, two sample municipal sites, seven Fresno USD high schools, and the Fresno USD District Service Center.

Vendor Offer includes purchase pricing and Power Purchase Agreement (PPA) pricing for solar and solar plus storage projects for:

- Each unique site.
- Portfolio #1: Small sample sites.
- Portfolio #2: All sites (excluding municipal sites and RES-BCT project).
- Portfolio #3: All Fresno USD sites SPURR recognizes that final Project pricing for each Participant may vary slightly based on actual scope of work, unique site conditions, specific location, market conditions, availability of incentive funding, required utility upgrades, or other factors that may impact final contract pricing.

Project price adjustments above the pricing memorialized in this RMC must be justified by Vendor on a case by case basis by documenting price adjustments and rationale to SPURR for SPURR's confirmation and approval. The format of such document will be approved by SPURR.

| Price for Each Site as a Stand-Alone Project | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Wastewater Treatment Plant | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|----------------------------|----------------------------|------------------------|------------------------|---------------------------------|------------------|-----------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|---------------------|
| PV System Size (kW-DC) | 166.14 | 191.7 | 351.45 | 370.62 | 1101.6 | 792.36 | 1175.04 | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 168 | 180 | 300 | 336 | 900 | 702 | 960 | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 260,840 | 305,570 | 565,835 | 614,117 | 2,243,959 | 1,303,477 | 2,373,581 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| PV PPA Rate (\$/kWh) | \$0.136 | \$0.134 | \$0.126 | \$0.124 | \$0.070 | \$0.102 | \$0.070 | \$0.1095 | \$0.1175 | \$0.1185 | \$0.1200 | \$0.1230 | \$0.1155 | \$0.1105 | \$0.1085 |
| PV Cash Purchase Price | \$621,553 | \$685,250 | \$1,053,824 | \$1,152,804 | \$2,511,600 | \$2,135,840 | \$2,718,021 | \$2,910,463 | \$3,456,760 | \$2,494,588 | \$3,923,675 | \$2,642,418 | \$1,694,629 | \$5,070,514 | \$1,768,604 |
| Energy Storage System Size (kW-AC) | 0 | 0 | 210 | 210 | N/A | 315 | 420 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 0 | 340 | 340 | N/A | 510 | 680 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |

| Portfolio #1: Small Portfolio | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 |
|-------------------------------------|----------------------------|----------------------------|------------------------|
| PV System Size (kW-DC) | 166.14 | 191.7 | 351.45 |
| PV System Size (kW-AC) | 168 | 180 | 300 |
| PV First Year Production (kWh/year) | 260,840 | 305,570 | 565,835 |
| PV PPA Rate (\$/kWh) | 0.136 | 0.134 | 0.126 |
| PV Cash Purchase Price | \$621,553 | \$685,250 | \$1,053,824 |
| Energy Storage System Size (kW-AC) | 0 | 0 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 0 | 340 |

| Portfolio #2: Large Portfolio | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|-------------------------------------|----------------------------|----------------------------|------------------------|------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|---------------------|
| PV System Size (kW-DC) | 166.14 | 191.7 | 351.45 | 370.62 | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 168 | 180 | 300 | 336 | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 260,840 | 305,570 | 565,835 | 614,117 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| PV PPA Rate (\$/kWh) | \$0.136 | \$0.134 | \$0.126 | \$0.124 | \$0.1095 | \$0.1175 | \$0.1185 | \$0.1200 | \$0.1230 | \$0.1155 | \$0.1105 | \$0.1085 |
| PV Cash Purchase Price | \$621,553 | \$685,250 | \$1,053,824 | \$1,152,804 | \$2,910,463 | \$3,456,760 | \$2,494,588 | \$3,923,675 | \$2,642,418 | \$1,694,629 | \$5,070,514 | \$1,768,604 |
| Energy Storage System Size (kW-AC) | 0 | 0 | 210 | 210 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 0 | 340 | 340 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |

| Portfolio #3: Fresno USD | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|---------------------|
| PV System Size (kW-DC) | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| PV PPA Rate (\$/kWh) | \$0.1163 | \$0.1257 | \$0.1275 | \$0.1272 | \$0.1315 | \$0.1255 | \$0.1179 | \$0.1162 |
| PV Cash Purchase Price | \$3,062,449 | \$3,646,359 | \$2,669,063 | \$4,110,981 | \$2,791,265 | \$1,830,674 | \$5,318,794 | \$1,897,114 |
| Energy Storage System Size (kW-AC) | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |
| FUSD Site Cost Adder (\$) | | | | | | | | |
| 15' Min Clearance on Canopy | \$53,636 | \$47,749 | \$55,825 | \$79,069 | \$46,980 | \$38,280 | \$84,680 | \$37,193 |
| 4 EV Charging Stations per Site | \$24,650 | \$24,650 | \$24,650 | \$24,650 | \$24,650 | \$24,650 | \$24,650 | \$24,650 |
| Inspector of Record Fees (Assume \$35,000/site) | \$35,000 | \$35,000 | \$35,000 | \$35,000 | \$35,000 | \$35,000 | \$35,000 | \$35,000 |
| Tree Removal | \$8,700 | \$52,200 | \$29,000 | \$18,588 | \$12,218 | \$8,116 | \$73,950 | \$1,668 |
| ADA Upgrades | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 |
| FUSD Site PPA Adder (\$/kWh) | | | | | | | | |
| 15' Min Clearance on Canopy | \$0.0024 | \$0.0021 | \$0.0029 | \$0.0031 | \$0.0027 | \$0.0028 | \$0.0025 | \$0.0022 |
| 4 EV Charging Stations per Site | \$0.0011 | \$0.0011 | \$0.0013 | \$0.0010 | \$0.0014 | \$0.0018 | \$0.0007 | \$0.0015 |
| Inspector of Record Fees (Assume \$35,000/site) | \$0.0016 | \$0.0015 | \$0.0018 | \$0.0014 | \$0.0020 | \$0.0026 | \$0.0010 | \$0.0021 |
| Tree Removal | \$0.0004 | \$0.0023 | \$0.0015 | \$0.0007 | \$0.0007 | \$0.0006 | \$0.0022 | \$0.0001 |
| ADA Upgrades | \$0.0013 | \$0.0013 | \$0.0015 | \$0.0012 | \$0.0017 | \$0.0022 | \$0.0009 | \$0.0018 |

| Portfolio #3: Fresno USD - Portfolio Negative Escalator | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|------------------------|
| PV System Size (kW-DC) | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 1767090.6 | 1896718.14 | 1360686.6 | 2116463.85 | 1390208.4 | 959746.05 | 2954876.58 | 1077155.91 |
| PV PPA Rate (\$/kWh) | \$0.1262 | \$0.1364 | \$0.1383 | \$0.1380 | \$0.1427 | \$0.1361 | \$0.1280 | \$0.1260 |
| PPA Escalator (%) | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% |

| Portfolio #3: Fresno USD - Value of Solar Optimized | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|------------------------|
| PV System Size (kW-DC) | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 1767090.6 | 1896718.14 | 1360686.6 | 2116463.85 | 1390208.4 | 959746.05 | 2954876.58 | 1077155.91 |
| PV PPA Rate (\$/kWh) | \$0.1260 | \$0.1300 | \$0.1320 | \$0.1010 | \$0.1260 | \$0.1350 | \$0.1170 | \$0.1400 |
| PPA Escalator (%) | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |

| Portfolio #3: Fresno USD - Value of Solar Optimized - Negative Escalator | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|------------------------|
| PV System Size (kW-DC) | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 1767090.6 | 1896718.14 | 1360686.6 | 2116463.85 | 1390208.4 | 959746.05 | 2954876.58 | 1077155.91 |
| PV PPA Rate (\$/kWh) | \$0.1367 | \$0.1411 | \$0.1432 | \$0.1096 | \$0.1367 | \$0.1465 | \$0.1269 | \$0.1519 |
| PPA Escalator (%) | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% |

| Price for Each Site as a Stand- Alone Project Negative Escalator | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Wastewater Treatment Plant | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|----------------------------------|----------------------------------|---------------------------|---------------------------|---------------------------------------|------------------|---|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|------------------------|
| PV System Size (kW-DC) | 166.14 | 191.7 | 351.45 | 370.62 | 1101.6 | 792.36 | 1175.04 | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 168 | 180 | 300 | 336 | 900 | 702 | 960 | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 260,840 | 305,570 | 565,835 | 614,117 | 2,243,959 | 1,303,477 | 2,373,581 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| PV PPA Rate (\$/kWh) | \$0.1465 | \$0.1465 | \$0.1356 | \$0.1356 | \$0.0760 | \$0.1106 | \$0.0760 | \$0.1188 | \$0.1275 | \$0.1286 | \$0.1302 | \$0.1335 | \$0.1253 | \$0.1199 | \$0.1177 |
| PPA Escalator (%) | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% | -1% |

| Price for Each Site as a Stand-Alone Project | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Wastewater Treatment Plant | Bullard High School | Edison High School | Fresno High School | Hoover High School | McLane High School | Roosevelt High School | Sunnyside High School | FUSD Service Center |
|--|----------------------------|----------------------------|------------------------|------------------------|---------------------------------|------------------|-----------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|-----------------------|---------------------|
| PV System Size (kW-DC) | 166.14 | 191.7 | 351.45 | 370.62 | 1101.6 | 792.36 | 1175.04 | 1022.4 | 1169.37 | 830.7 | 1361.07 | 894.6 | 594.27 | 1808.37 | 645.39 |
| PV System Size (kW-AC) | 168 | 180 | 300 | 336 | 900 | 702 | 960 | 936 | 1098 | 768 | 1272 | 840 | 540 | 1698 | 588 |
| PV First Year Production (kWh/year) | 260,840 | 305,570 | 565,835 | 614,117 | 2,243,959 | 1,303,477 | 2,373,581 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| PV PPA Rate (\$/kWh) | \$0.1360 | \$0.1340 | \$0.1260 | \$0.1240 | \$0.0700 | \$0.1020 | \$0.0700 | \$0.1095 | \$0.1175 | \$0.1185 | \$0.1200 | \$0.1230 | \$0.1155 | \$0.1105 | \$0.1085 |
| PV Cash Purchase Price | \$621,553 | \$685,250 | \$1,053,824 | \$1,152,804 | \$2,511,600 | \$2,135,840 | \$2,718,021 | \$2,910,463 | \$3,456,760 | \$2,494,588 | \$3,923,675 | \$2,642,418 | \$1,694,629 | \$5,070,514 | \$1,768,604 |
| Energy Storage System Size (kW-AC) | 0 | 0 | 210 | 210 | N/A | 315 | 420 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 0 | 340 | 340 | N/A | 510 | 680 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |
| Annual Storage Services Fee | 0 | 0 | \$8,082 | \$9,001 | N/A | \$22,467 | \$23,314 | \$41,218 | \$34,645 | \$33,794 | \$15,492 | \$26,700 | \$31,447 | \$23,051 | \$10,522 |
| Storage Fee/KW/Month | 0 | 0 | \$3.207 | \$3.572 | N/A | \$5.944 | \$4.626 | \$5.452 | \$6.874 | \$5.364 | \$4.099 | \$5.298 | \$4.992 | \$6.098 | \$4.175 |
| Storage Cash Purchase Price | 0 | 0 | \$263,677 | \$263,677 | \$0 | \$359,108 | \$454,962 | \$641,224 | \$454,962 | \$550,048 | \$359,108 | \$454,962 | \$550,048 | \$359,108 | \$263,677 |
| Storage Performance Guarantee | N/A | N/A | 100% | 100% | N/A | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Demand Reduction Guarantee Rate (\$/kW) | N/A | N/A | 9.99 | 9.99 | N/A | 19.67 | 15.86 | 19.67 | 19.67 | 16.96 | 15.86 | 15.86 | 19.67 | 15.86 | 9.99 |
| Minimum Guaranteed Demand Reduction (kW/yr) | N/A | N/A | 809 | 901 | N/A | 1,142 | 1,470 | 2,181 | 1,761 | 1,993 | 977 | 1,684 | 1,599 | 1,454 | 1,053 |

Appendix C- Includes, Excludes, Assumptions, and Specifications for Vendor Offer

Vendor Offer is based on a list of Project inclusions, exclusions, assumptions, specifications, utility data, and site maps provided to Vendor in the RFP. Vendor was required to submit system designs, pricing, and terms for Projects at two sample elementary schools, two sample middle schools, a sample RES-BCT ground-mount project, two sample municipal sites, seven Fresno USD high schools, and the Fresno USD District Service Center Vendor Offer includes purchase pricing and Power Purchase Agreement (PPA) pricing for solar projects and solar plus storage projects (where applicable) for:

- Each unique site.
- Portfolio #1: Small sample sites.
- Portfolio #2: All sites (excluding municipal sites and RES-BCT project).
- Portfolio #3: All Fresno USD sites

Below is the detailed list of includes, excludes, specifications, and assumptions underlying Vendor Offer.

A. Includes for Solar PV Power Purchase Agreement (PPA) AND Purchase Project Scenarios:

Vendor Offer includes at minimum the following components and services:

1. Project engineering
 - a. Civil/Structural engineering
 - b. Electrical engineering
 - c. Mechanical Engineering
 - d. Soils reports/engineering
2. Project permitting
 - a. DSA or otherwise applicable AHJ permitting fees
 - b. Utility interconnection process (upgrade costs on the Utility side of the meter should not be included in the Proposal cost)
 - All appropriate safety signage, as required by the Utility
 - Adequately sized and visible disconnect switches at or near each point of common coupling
3. Safety plan
4. Materials
 - a. Modules
 - b. Inverters
 - c. Racking/structures
 - Lighting for shade structures/carports
 - d. Balance of System (BOS)
 - Disconnects/Breakers/Fuses
 - Conduits and conductors
 - Pull boxes and ground vaults
 - Enclosures or cabinets to house non-NEMA rated components
 - e. All other materials required to construct the system to comply with national, state, and local building requirements as well as industry standards.

5. Equipment/material procurement
 - a. Delivery, storage, and staging logistics
 - b. Delivery and handling costs
 - c. Procurement bond or insurance (at the Vendor's discretion)
 - d. Site security
6. Facility construction
 - a. Civil (trenching and backfill, equipment pad preparation, etc.)
 - b. Structural/mechanical
 - c. Electrical
7. Interconnection process
 - a. Generation Interconnection Application
 - b. Initial and supplemental review process management
 - c. System coordination studies (if deemed necessary)
 - d. System protection engineering (Rule 21, UL 1741, etc.)
 - e. Pre-parallel inspection
 - f. Permission to operate (PTO)
8. Facility testing
9. Facility commissioning
 - a. Strings voltage check
 - b. Inverters
 - System check
 - Programming and configuration (i.e. ramp rate, power factor, protection, etc.)
 - c. Racking visual inspection and torque check
 - d. Monitoring, configuration, startup, and training of district personnel
 - e. Switchgear (if required)
10. Facility design documentation package and as-built drawings
 - a. PV Module – quantity, make, model, and spec sheet
 - b. QA/QC documentation
 - c. As built documentation (strings labeled in field and recorded on drawings)
 - d. Inverters – quantity, make, model, and spec sheet
 - e. Racking/shade structure
 - Manufacturer
 - Design drawings
 - Structure finish
 - f. Combiner boxes (if any) – quantity, make, model, and spec sheet
 - g. Switchgear/Subpanel (if upgrades or additions are required) – manufacturer, ratings, general spec.
 - h. AC and DC cable specifications
 - i. As-built DC single line diagram with conductor specification
 - j. As-built AC single line diagram with conductor specification
 - k. As-built array configuration plan
 - l. Balance of system (BOS) layout detail and identification
 - Combiner boxes
 - Inverters

- m. Inverter locations and mounting specifications
- n. Trenching specification (depth, bedding material spec, conduit spec., etc.)
 - As built location for ongoing O&M
- 11. Monitoring equipment/system
 - a. Inverter level performance/production monitoring
 - b. Configurable alarms to allow for notification of underperformance or outages
 - c. Security measures (appropriate fencing, cameras, signage, etc.)
- 12. Operations and maintenance (10 years for purchased systems; 20 years for PPAs)
 - a. Inverter maintenance
 - b. Module cleaning/testing
 - c. Checking of electrical connections/torque
 - d. Racking/structure torque check
 - e. Inverter extended warranty or replacement plan
 - f. Remote monitoring
 - g. Shading mitigation
- 13. Production performance guarantee
 - a. 90% system production guarantee or better.

B. Assumptions for Solar PV PPA AND Purchase Project Scenarios:

- a. Projects will be interconnected as net energy metering (NEM or NEM-A) or RES-BCT projects.
- b. Assume no incentives from utility.
- c. SPURR's fees, as described above, must be included in all proposed pricing.
- d. Prevailing wage rates will apply.
- e. California DSA pre-check design.
- f. All inverters must be UL 1741 certified.
- g. Unless otherwise stated, all systems will interconnect into a 277/480VAC 3-Phase service.
- h. Campus main meters are adequately sized and have available space for connection of PV generation.
- i. For shade structures, concrete support extending up the structure post a minimum of 24".
- j. All non-trenched wiring will be made in accessible crawlspaces, attics, or mounted in secure weather tight conduit on racking structures.
- k. All unpainted metal shall be resistant to corrosion for a minimum of 25 years.
- l. Painted portions of structures will be primed with rust inhibitive primer and then painted with 2 coats of paint or powder coated.
- m. Canopies shall have a minimum clear height of 10 foot at the lowest point of any structure.
- n. Each canopy system and associated components must be designed and selected to withstand the environmental conditions of the site (e.g., temperatures, winds, rain, flooding, etc.) to which they will be exposed. The design life shall be a minimum of 25-years.

- o. Canopies placed in parking lots shall be clearly labeled with max clearance for vehicles at the low points. Label should be easily visible from a vehicle
- p. Canopies must include LED lighting that conform to current lighting standards and codes.
- q. Existing light post bases and bollards will be removed if not being used by Selected Vendor. Lighting will reuse existing circuits where available.
- r. Grounds and landscaping that may have been impacted due to construction will be brought back to original pre-construction conditions.
- s. Selected Vendor shall be responsible for prompt removal and disposal of spoils from all related construction activities.
- t. All costs associated with system upgrades necessary to avoid power quality issues will be the responsibility of the Selected Vendor.
- u. Security measures will be required to limit the potential for theft and vandalism during and after construction of the systems.
- v. Array areas shown on project site maps are representative and not exact panel layouts.
- w. DC-AC de-rate and inverter configuration to be determined by the Vendor to produce the best system value.
- x. Work hours: All pricing should be based on standard work hours of Monday – Friday 6:00 AM to 7:00 PM.

All structures constructed as a part of the project must comply with all applicable permitting, regulatory, and safety agencies, including but not limited to DSA, municipalities, fire departments, utility, etc. All applicable building codes must be strictly adhered to and complied with. Vendors must warrant and maintain the full structural integrity of the PV system.

PV systems built in parking lots or near roadways must not obstruct or hinder school parking or traffic and must allow for appropriate clearance for all vehicles including buses, delivery vehicles, etc.

C. Includes and Assumptions for Solar PV Power Purchase Agreement (PPA) Scenario ONLY:

- a. Term: 20 years
- b. Annual PPA % escalator: 0%
- c. Participant ownership of Renewable Energy Certificates (RECs)
- d. An annual production guarantee, with a reasonable degradation factor that matches the term of the offered PPA, must be included. Participants will not be required to purchase more than 110% of the estimated annual energy production.
- e. PPA must include purchase option(s) after year 6.
- f. Removal of the system and returning the site to its pre-installation condition (normal wear and tear excepted) at the end of the PPA term.

During the PPA ownership period, it will be the responsibility of Vendor to perform all site maintenance, including work required by equipment vendors to maintain warranties, recalibration of equipment, vegetation abatement, panel washing as needed to meet

performance guarantee targets, system monitoring and reporting, and the installation and maintenance of a revenue grade meters for billing purposes. Any damage to the systems resulting from vandalism/theft will be repaired in a timely fashion by Vendor.

D. Includes and Assumptions for Purchase Scenario ONLY:

Proposed purchase pricing includes comprehensive “turnkey” implementation of the proposed PV systems including design, engineering, materials, installation, interconnection, monitoring, and maintenance of solar photovoltaic systems. Proposed pricing should include the following:

- a. 10-year O/M contract
- b. 10-year 95% annual production guarantee less system degradation

E. Excludes for Solar PV PPA AND Purchase Scenarios:

- a. All costs associated with Utility distribution or service upgrades.
- b. Cost of parking area renovations (re-striping, resealing, repaving, traffic flow modifications, etc.)
- c. Removal/disposal of hazardous materials including asbestos.
- d. Habitat mitigation.
- e. Conditional use permits, special use permits, or environmental impact reports
- f. Roof replacement or repair.
- g. Required ADA upgrades.
- h. Structural upgrades to buildings.
- i. Network and/or data services upgrades.
- j. Installation of data wiring for monitoring kiosks or display screens.
- k. 3rd party inspector costs
- l. Tree or other vegetation removal
- m. Performance bond

E. Fresno USD Projects

Fresno Unified School District required a line item cost for each of the following project components and the incremental increase to the PPA rate associated with that line item cost:

- a. Minimum of 15' clearance on low side of all canopy structures in driveway or parking areas.
- b. Tree or other vegetation removal.
- c. Four EV charging stations per site.
- d. Reimburse FUSD for DSA inspector of record costs. Assume budgetary estimate of \$35,000 per site.
- e. Required ADA upgrades.

F. Includes for Energy Storage Projects

Proposals for energy storage projects are required to include at minimum the following items/components:

1. Vendor is responsible for all costs associated with preparing and submitting SGIP applications.
2. Project engineering
 - a. Civil/Structural engineering
 - b. Electrical engineering
 - c. Mechanical engineering
 - d. Soils reports/engineering
3. Project permitting
 - a. Permitting fees
 - b. Utility interconnection process (upgrade costs on the Utility side of the meter should not be included in the Proposal base cost)
 - All appropriate safety signage, as required by the Utility
 - Adequately sized and visible disconnect switches at or near each point of common coupling
4. Safety plan
5. Materials
 - a. Battery or other energy storage technology
 - b. Inverters
 - c. Weatherproof outdoor enclosure/container.
 - d. Balance of System (BOS)
 - Disconnects/Breakers/Fuses
 - Conduits and conductors
 - Pull boxes and ground vaults
 - e. All other materials required to construct the system to comply with national, state, and local building requirements as well as industry standards.
6. Equipment/material procurement
7. Delivery, storage, and staging logistics
8. Site security
9. Facility construction
 - a. Civil (trenching and backfill, equipment pad preparation, etc.)
 - b. Structural/mechanical
 - c. Electrical
10. Interconnection process
 - a. Generation Interconnection Application; must submit to utility within 60 days of execution of Project Agreement.
 - b. Self-Generation Incentive Program (SGIP) application and documentation process
 - c. Initial and supplemental review process management
 - d. System coordination studies (if deemed necessary)
 - e. System protection engineering
 - f. Utility inspection
11. Facility testing
12. Facility commissioning

- a. Inverters
- b. Monitoring configuration, startup, and training of Participant personnel
- c. Switchgear (if required)
- 13. Facility design documentation package and as-built drawings
 - a. QA/QC documentation
 - b. As built documentation
 - Inverters – quantity, make, model, and spec sheet
 - Enclosure description and documentation
 - Design drawings
 - Paint/finish
 - c. Switchgear/subpanel (if upgrades or additions are required) – manufacturer, ratings, general spec.
 - d. AC and DC cable specifications
 - e. As-built DC single line diagram with conductor specification
 - f. As-built AC single line diagram with conductor specification
 - g. As-built site plan
 - Balance of system (BOS) layout detail and identification
 - Inverter locations and mounting specifications
 - Trenching specification (depth, bedding material spec, conduit spec., etc.)
- 14. Monitoring equipment/system
 - a. System charge/discharge monitoring
 - b. 15-minute interval (or better) data granularity
- 15. Security measures
- 16. Operations and maintenance for the term of the contract

G. Assumptions for Energy Storage Projects

- a. SPURR's fees, as described above, must be included in all proposed pricing.
- b. Assume SGIP funding of \$0.22/Watt-hour. Vendor must provide a clear and detailed explanation of how changes to proposed pricing will be calculated based on increased/decreased SGIP funding.
- c. Prevailing wage rates will apply.
- d. Unless otherwise stated, all systems will interconnect into a 277/480VAC 3-Phase service.
- e. Electric services are adequately sized and have available space to connect energy storage project.
- f. All non-trenched wiring will be made in accessible crawlspaces, attics, or mounted in secure weather tight conduit on racking structures.
- g. Painted portions of structures will be primed with rust inhibitive primer and then painted with 2 coats of paint or powder coated.
- h. All costs associated with system upgrades necessary to avoid power quality issues will be the responsibility of the Selected Vendor.
- i. Security measures will be required to limit the potential for theft and vandalism during and after construction of the systems.

- j. Work hours: All pricing should be based on standard work hours of Monday – Friday 6:00 AM to 7:00 PM.
- k. Removal of the system at the end of the term.

All structures constructed as a part of the project must comply with all applicable permitting, regulatory, and safety agencies, including but not limited to DSA, municipalities, fire departments, utility, etc. All applicable building codes must be strictly adhered to and complied with. Vendors must warrant and maintain the full structural integrity of the system.

During the entire project life it will be the responsibility of the Selected Vendor to perform all site maintenance, including work required by equipment vendors to maintain warranties, recalibration of equipment, system monitoring and reporting, and the installation and maintenance of a revenue grade meters for billing purposes. Any damage to the systems resulting from vandalism/theft will be repaired in a timely fashion by the Selected Vendor.

H. Excludes for Energy Storage Projects

The following items shall not be included in the base pricing offered by Vendors. All base pricing cost adjustments presented to Participants will be subject to SPURR's review and must comply with a cost adjustment formula to be negotiated with Selected Vendor.

- a. All costs associated with Utility distribution or service upgrades.
- b. Removal/disposal of existing hazardous materials including asbestos.
- c. Habitat mitigation.
- d. Conditional use permits, special use permits, or CEQA-related work.
- e. Required ADA upgrades.
- f. Network and/or data services upgrades.
- g. Installation of data wiring for monitoring kiosks or display screens.
- h. 3rd party inspector costs

Vendor is required to include a comprehensive list of additional relevant "excludes" that are not reflected in the Proposal and pricing.

APPENDIX D – REAP PROJECT AGREEMENTS

Exhibit A
of General Conditions

[PURCHASER'S LETTERHEAD]

[Landlord's Address]

Attn: Authorized Representative

Re: Proposed Energy System Installation at [Address of Premises]

Lease dated [] between [PURCHASER] and [LANDLORD] (the "Lease")

Dear Authorized Representative:

As has been discussed with you, [PURCHASER] ("Purchaser") and [Forefront Power], LLC and an affiliate of Forefront Power, LLC ("ForeFront Power") have entered into an Energy Services Agreement, pursuant to which ForeFront Power will install, finance, operate, and maintain a [solar photovoltaic] [battery storage] system at the above-referenced premises which [PURCHASER] leases from you pursuant to the Lease. By signing below and returning this letter to us, you confirm that:

1. The [solar photovoltaic] [battery storage] system and the renewable energy (including environmental credits and related attributes) produced by the system are personal property, and shall not be considered the property (personal or otherwise) of [LANDLORD] upon installation of the system at the premises. Landlord consents to the filing by ForeFront Power of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction of the Premises.
2. ForeFront Power or its designee (including finance ForeFront Powers) shall have the right without cost to access the premises in order to install, operate, inspect, maintain, and remove the [solar photovoltaic] [battery storage] system. [LANDLORD] will not charge Purchaser or ForeFront Power any rent for such right to access the premises.
3. [LANDLORD] has been advised that the finance ForeFront Powers for the [solar photovoltaic] [battery storage] system have a first priority perfected security interest in the system. ForeFront Power and the finance ForeFront Powers for the [solar photovoltaic] [battery storage] system (including any system lessor or other lender) are intended beneficiaries of [LANDLORD]'s agreements in this letter.
4. [LANDLORD] will not take any action inconsistent with the foregoing.

We thank you for your consideration of this opportunity and we look forward to working with you in our environmental campaign to increase the utilization of clean, renewal energy resources.

Very truly yours,

[PURCHASER]

By: _____

Name:

Title: Authorized Representative

Acknowledged and agreed by:

[LANDLORD]

By: _____

Name:

Title: Authorized Representative

Exhibit B
of General Conditions

Certain Agreements for the Benefit of the Financing Parties

Purchaser acknowledges that ForeFront Power will be receiving financing accommodations from one or more Financing Parties and that ForeFront Power may sell or assign the System or this Agreement and/or may secure ForeFront Power's obligations by, among other collateral, a pledge or collateral assignment of this Agreement and a first security interest in the System. In order to facilitate such necessary sale, conveyance, or financing, and with respect to any such Financing Party, Purchaser agrees as follows:

(a) **Consent to Collateral Assignment.** Purchaser consents to either the assignment, sale or conveyance to a Financing Party or the collateral assignment by ForeFront Power to a Financing Party, of ForeFront Power's right, title and interest in and to this Agreement.

(b) **Notices of Default.** Purchaser will deliver to the Financing Party, concurrently with delivery thereof to ForeFront Power, a copy of each notice of default given by Purchaser under the Agreement, inclusive of a reasonable description of ForeFront Power default. No such notice will be effective absent delivery to the Financing Party. Purchaser will not mutually agree with ForeFront Power to cancel, modify or terminate the Agreement without the written consent of the Financing Party.

(c) **Rights Upon Event of Default.** Notwithstanding any contrary term of this Agreement:

i. The Financing Party, shall be entitled to exercise, in the place and stead of ForeFront Power, any and all rights and remedies of ForeFront Power under this Agreement in accordance with the terms of this Agreement and only in the event of ForeFront Power's or Purchaser's default. The Financing Party shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the System.

ii. The Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of ForeFront Power thereunder or cause to be cured any default of ForeFront Power thereunder in the time and manner provided by the terms of this Agreement. Nothing herein requires the Financing Party to cure any default of ForeFront Power under this Agreement or (unless the Financing Party has succeeded to ForeFront Power's interests under this Agreement) to perform any act, duty or obligation of ForeFront Power under this Agreement, but Purchaser hereby gives it the option to do so.

iii. Upon the exercise of remedies under its security interest in the System, including any sale thereof by the Financing Party, whether by judicial proceeding or under any power of sale contained therein, or any conveyance from ForeFront Power to the Financing Party (or any assignee of the Financing Party) in lieu thereof, the Financing Party shall give notice to Purchaser of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement.

iv. Upon any default not reasonably susceptible to cure by a Finance Party, including, without limitation, rejection or other termination of this Agreement pursuant to any process undertaken with respect to ForeFront Power under the United States Bankruptcy Code, at the request of the Financing Party made within ninety (90) days of such default, Purchaser shall enter into a new agreement with the Financing Party or its designee having the same terms and conditions as this Agreement.

(d) **Right to Cure.**

i. Purchaser will not exercise any right to terminate or suspend this Agreement unless it shall have given the Financing Party prior written notice by sending notice to the Financing Party (at the address provided by ForeFront Power) of its intent to terminate or suspend this Agreement, specifying the condition giving rise to such right, and the Financing Party shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement. The Parties agree that the cure rights described herein are in addition to and apply and commence following the expiration of any notice and cure period applicable to ForeFront Power. The Parties respective obligations will otherwise remain in effect during any cure period; *provided*, if such ForeFront Power default reasonably cannot be cured by the Financing Party within such period and the Financing Party commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed additional ninety (90) days.

ii. If the Financing Party (including any purchaser or transferee), pursuant to an exercise of remedies by the Financing Party, shall acquire title to or control of ForeFront Power's assets and shall, within the time periods described in Sub-section (c)(i). above, cure all defaults under this Agreement existing as of the date of such change in title or control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such person or entity shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect

Exhibit C
of General Conditions

Requirements Applicable To The Installation Work

Section B.1 **Prohibition Against Use of Tobacco.** All properties and facilities owned, leased or operated by the Purchaser are tobacco-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may smoke, chew or otherwise use tobacco products. ForeFront Power shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's tobacco-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, ForeFront Power, and each Subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

Section B.2 **Prohibition Against Use of Drugs.**

(a) **Purchaser Drug-Free Policy.** All properties and facilities owned, leased or operated by the Purchaser are drug-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may: (i) engage in the unlawful manufacture, dispensation, possession or use, including being under the influence, of any controlled substance, (ii) possess or use any alcoholic beverage, or (iii) use any substance which may cause significant impairment of normal abilities. ForeFront Power shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's drug-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, ForeFront Power, and each Subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

(b) **Drug-Free Workplace Certification.** ForeFront Power is hereby made subject to the requirements of Government Code Sections 8350 et seq., the Drug-Free Workplace Act of 1990.

Section B.3 **Compliance with Labor Requirements.** The Installation Work is a "public works" project as defined in Section 1720 of the California Labor Code ("Labor Code") and made applicable pursuant to Section 1720.6 of the Labor Code. Therefore, the Installation Work is subject to applicable provisions of Part 7, Chapter 1, of the Labor Code and Title 8 of the California Code of Regulations, Section 16000 et seq. (collectively, "Labor Law"). ForeFront Power acknowledges that, as provided by Senate Bill 854 (Stats. 2014, Ch. 28), the Project is subject to labor compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR").

Section B.4 **Compliance with Labor Code Requirements.** ForeFront Power must be, and shall be deemed and construed to be, aware of and understand the requirements of the Labor Law that require the payment of prevailing wage rates and the performance of other requirements on public works projects. ForeFront Power, at no additional cost to the Purchaser, must: (i) comply with any and all applicable Labor Law requirements, including, without limitation, requirements for payment of prevailing wage rates, inspection and submittal (electronically, as required) of payroll records, interview(s) of workers, et cetera; (ii) ensure that its Subcontractors are aware of and comply with the Labor Law requirements; (iii) in connection with Labor Law compliance matters, cooperate with the DIR, the Purchaser and other entities with competent jurisdiction; and (iv) post all job-site notices required by law in connection with the Installation Work, including, without limitation, postings required by DIR regulations. A Subcontractor that has been debarred in accordance with the Labor Code, including, without limitation, pursuant to Sections 1777.1 or 1777.7, is not eligible to bid on, perform, or contract to perform any portion of the Installation Work. Wage rates for the Installation Work shall be in accordance with the general prevailing rates of per-diem wages determined by the Director of Industrial Relations pursuant to Labor Code Section 1770. The following Labor Code sections are by this reference incorporated into and are a fully operative part of the Contract, and ForeFront Power shall be responsible for compliance therewith:

- (a) Section 1735: Anti-Discrimination Requirements;
- (b) Section 1775: Penalty for Prevailing Wage Rate Violations;
- (c) Section 1776: Payroll Records;
- (d) Sections 1777.5, 1777.6 and 1777.7: Apprenticeship Requirements;
- (e) Sections 1810 through 1812: Working Hour Restrictions;
- (f) Sections 1813 and 1814: Penalty for Failure to Pay Overtime; and
- (g) Section 1815: Overtime Pay.

Section B.5 Requirements for Payroll Records. ForeFront Power must comply with all applicable provisions of Labor Code Sections 1776 and 1812, which relate to preparing and maintaining accurate payroll records, and making such payroll records available for review and copying by the Purchaser, the DIR Division of Labor Standards Enforcement, and the DIR Division of Apprenticeship Standards. The payroll records must be certified and made available as required by Labor Code Section 1776.

Section B.6 Contractor Registration. On and after March 1, 2015, no contractor may bid on a public works project unless the contractor is, and no subcontractor may be listed in any bid for a public works project unless the subcontractor is, currently registered with the DIR and qualified to perform public work pursuant to Labor Code Section 1725.5. On and after April 1, 2015, no contractor or subcontractor may be awarded a contract for work on a public works project, or may perform any work on a public works project, unless the contractor or subcontractor is currently registered with the DIR and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of Labor Code Section 1725.5 for an unregistered contractor to submit a bid authorized by Business and Professions Code Section 7029.1 or Public Contract Code Section 20103.5, if the contractor is registered at the time the contract is awarded.

Section B.7 Permits and Licenses. Without limiting anything set forth in Section B.7 of this Exhibit C, ForeFront Power, its Subcontractors, and all of their respective employees and agents: (i) shall secure and maintain in force at all times during the performance of the Installation Work such licenses and permits as are required by law; and (ii) shall comply with all federal and State, and County laws and regulations, and other governmental requirements applicable to the System or the Installation Work. ForeFront Power or its subcontractors shall obtain and pay for all permits and licenses required for the performance of, or necessary in connection with, the Installation Work, and shall give all necessary notices and deliver all necessary certificates to the Purchaser, and shall pay all royalties and license fees arising from the use of any material, machine, method or process used in performing the Installation Work. ForeFront Power shall be solely responsible for all charges, assessments and fees payable in connection with any such licenses, permits, materials, machines, methods, and processes.

Section B.8 Protection of Minor-Aged Students. ForeFront Power, in conformance with Education Code Section 45125.1, shall require and be responsible for ensuring compliance by each and every person who will be on or at the Premises in connection with the construction, maintenance, operation or other purposes related to the System with all California Department of Justice guidelines and requirements relating to fingerprinting and criminal-history background checks, regardless of whether Section 45125.1 otherwise by its terms would apply to any such activities. In the event Education Code Section 45125.1 is repealed or superseded, ForeFront Power, following receipt of written notice from the Purchaser, shall comply with such successor or other requirements as determined by the Purchaser in its reasonable discretion. The Purchaser, in its discretion, may exempt in writing any person(s) from the foregoing requirements if ForeFront Power makes alternative arrangements for supervision of such person(s) that are acceptable to the Purchaser in its sole discretion.

ENERGY SERVICES AGREEMENT – SOLAR

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 201__ (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between [*ForeFront Power*], LLC, a Delaware limited liability company] (“ForeFront Power”), and [*INSERT LEGAL NAME, ENTITY TYPE AND STATE OF FORMATION*] (“Purchaser”; and, together with ForeFront Power, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that ForeFront Power install and operate a solar photovoltaic system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and ForeFront Power is willing to do the same;
- B. ForeFront Power and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between Forefront Power, LLC and Purchaser dated as of _____, 201__ (“General Conditions”), which are incorporated by reference as set forth herein; and
- C. The terms and conditions of this Energy Services Agreement, excluding the General Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Conditions. The General Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The Initial Term of the Agreement shall commence on the Effective Date and shall continue for Twenty (20) years from the Commercial Operation Date (as defined in the General Conditions), unless and until extended or terminated earlier pursuant to the provisions of the Agreement. After the Initial Term, the Agreement may be renewed for an additional five (5) year term (a “Renewal Term”). At least one hundred and eighty (180) days, but no more than three hundred and sixty five (365) days, prior to the expiration of the Initial Term, ForeFront Power shall give written notice to Purchaser of the availability of the Renewal Term. Purchaser shall have sixty (60) days to agree to continuation of the Agreement for the Renewal Term. Absent agreement to the Renewal Term this Agreement shall expire on the Expiration Date. The Initial Term and the subsequent Renewal Term, if any, are referred to collectively as the “Term”.
{FP Note: If System is paired with an energy storage System, ensure alignment of commencement of Term in the Energy Storage Special Conditions.}
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|---|
| Schedule 1 | Description of the Premises, System and Scope of Work |
| Schedule 2 | Energy Services Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Estimated Annual Production |
| Schedule 5 | Notice Information |
| Schedule 6 | Site-Specific Information and Requirements |

- 4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser’s electricity usage and the System performance. Such information may be stored and processed in the United

States or any other country in which ForeFront Power or its third-party service ForeFront Powers, or its or their respective affiliates, subsidiaries, or service ForeFront Powers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser's country.

5. Milestone Dates.

5.1 The Construction Start Date is 210 days from Effective Date.

5.2 The Guaranteed Commercial Operation Date is 180 days from Construction Start Date.

6. Purchase Requirement; Energy Services Payment. Purchaser agrees to purchase one hundred percent (100%) of the Energy Services generated by the System and made available by ForeFront Power to Purchaser during each relevant month of the Term, up to a maximum of one hundred and ten percent (110%) of Estimated Annual Production, as defined in Schedule 4. While the Energy Services are calculated and billed on a per kWh basis as set forth in Schedule 2 of these Special Conditions, they represent a package of services and benefits.

7. Estimated Annual Production. The annual estimate of electricity generated by the system for each year of the initial term is set as forth in Schedule 4 of the Special Conditions ("Estimated Annual Production"). Within 60 days of each annual anniversary of the Commercial Operation Date, ForeFront Power will provide a statement to Purchaser that shows the actual annual kWh production from the System for the Term Year, the Estimated Annual Production, and the Minimum Guaranteed Output (defined below).

8. Minimum Guaranteed Output. If the System fails to generate at least ninety-five percent (95%) of the Estimated Annual Production for a full Term Year (such amount, the "Minimum Guaranteed Output"), other than as a result of the acts or omissions of Purchaser or the Local Electric Utility (including a Disruption Period), or an Event of Force Majeure, ForeFront Power shall credit Purchaser an amount equal to Purchaser's Lost Savings on the next invoice or invoices during the following Term Year. The formula for calculating Lost Savings for the applicable Term Year is as follows:

$$\text{Lost Savings} = (\text{MGO} * \text{WPR} - \text{AE}) \times \text{RV}$$

MGO = Minimum Guaranteed Output, as measured in total kWh, for the System for the applicable Term Year.

WPR = Weather Performance Ratio, measured as the ratio of the actual insolation over typical (pro-forma) insolation. Such Weather Performance Ratio shall only apply if the ratio is less than 1.00.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Term Year plus the estimated lost energy production during a Disruption Period.

$$\text{RV} = (\text{ATP} - \text{kWh Rate})$$

ATP = Average tariff price, measured in \$/kWh, for the Term Year paid by Purchaser with respect to the Premises. This price is determined by dividing the total cost for delivered electricity, including all charges associated with such electricity howsoever named, including, without limitation, charges for distribution, transmission, demand, and systems benefits, paid to the Local Electric Utility during the applicable Term Year by the total amount of delivered electricity by the electric utility during such Term Year.

kWh Rate = the kWh Rate in effect for the applicable Term Year(s), measured in \$/kWh.

If the RV is zero or less, then no Lost Savings payment is due to Purchaser. Any Lost Savings payment shall occur no later than sixty (60) days after the end of the Term Year during which such Lost Savings occurred.

9. Allowed Disruption Time. Notwithstanding the provisions in Section 4.3 of the General Conditions to the contrary, during years 4 through 20 (but not years 1 through 3) of the Term, Purchaser shall be afforded a one-time allocation of fifteen (15) days which may be used consecutively or in separate periods of at least twenty-four (24) hours each ("Allowed Disruption Time") during which the System shall be rendered non-operational. Purchaser shall not be obligated to make payments to Provider for electricity not received during the Allowed Disruption Time, nor shall Purchaser be required to reimburse Provider for any other lost revenue during the Allowed Disruption Time, including any lost revenue associated with any reduced sales of Environmental Attributes, and Provider shall be credited for the estimated lost production the System would have produced during such Allowed Disruption Time toward satisfaction of its Minimum Guaranteed Output, as set forth in Section 8 of the Special Conditions, such estimated lost production to be calculated in the same manner as set forth in Section 4.3 of the General Conditions.
10. Sunlight Easements. Purchaser will take all reasonable actions as necessary to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of sunlight to the System.
11. Use of System. Purchaser will not use electrical energy generated by the System for the purposes of heating a swimming pool within the meaning of Section 48 of the Internal Revenue Code.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, ForeFront Power and Purchaser have executed this Agreement as of the Effective Date.

**[INSERT FOREFRONT POWER LEGAL
NAME]**

[INSERT PURCHASER LEGAL NAME]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULES**I. Schedule 1 – Description of the Premises, System and Subsidy**

| | |
|--|--|
| <u>A. Premises</u> | [Physical Address: _____] [APN Number: _____] |
| Site diagram attached: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <u>B. Description of Solar System</u> | [Grid-interconnected or any other general descriptors] |
| Solar System Size: | [] kW (DC) (this is an estimate (and not a guarantee) of the System size; ForeFront Power may update the System Size prior to the Commercial Operation Date.) |
| <u>C. Anticipated Subsidy or Rebate</u> | [\$] |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to ForeFront Power a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to the product of (x) Actual Monthly Production for the System for the relevant month multiplied by (y) the kWh Rate.

The “Actual Monthly Production” means the amount of energy recorded by ForeFront Power’s metering equipment during each calendar month of the Term.

The kWh Rate with respect to the System under the Agreement shall be in accordance with the following schedule:

| Term Year | kWh Rate[*] (\$/kWh) | Term Year | \$/kWh Rate[*] (\$/kWh) |
|------------------|---------------------------------|------------------|------------------------------------|
| 1 | | 11 | |
| 2 | | 12 | |
| 3 | | 13 | |
| 4 | | 14 | |
| 5 | | 15 | |
| 6 | | 16 | |
| 7 | | 17 | |
| 8 | | 18 | |
| 9 | | 19 | |
| 10 | | 20 | |

[*Calculated based on the year 1 kWh Rate multiplied by [X%] inflation factor each year.]

If distribution upgrades are required by the Local Electric Utility, within 30 days of receipt of notice from the Local Electric Utility of the distribution upgrade costs, Purchaser will provide written notice to Provider of Purchaser's election of one of the following options:

1. For every [\$] per watt DC of such distribution upgrade costs, the kWh rate in Table 1 will increase [\$] per kWh, with a maximum kWh rate increase of [\$] per kWh.
2. Purchaser will pay the entire amount of such distribution upgrade costs, and the kWh rate as stated in Table 1 will remain unchanged. Purchaser shall make payments directly to the Local Electric Utility in accordance with the requirements of the Local Electric Utility.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wdc including costs of removal) | Purchase Date Occurs on the 91st day following: (Each "Anniversary" below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wdc, does <u>not</u> include costs of removal) |
|--|--|--|--|
| 1* | | | -- |
| 2 | | | -- |
| 3 | | | -- |
| 4 | | | -- |
| 5 | | | -- |
| 6 | | 5 th Anniversary | |
| 7 | | 6 th Anniversary | |
| 8 | | 7 th Anniversary | |
| 9 | | 8 th Anniversary | |
| 10 | | 9 th Anniversary | |
| 11 | | 10 th Anniversary | |
| 12 | | 11 th Anniversary | |
| 13 | | 12 th Anniversary | |
| 14 | | 13 th Anniversary | |
| 15 | | 14 th Anniversary | |
| 16 | | 15 th Anniversary | |
| 17 | | 16 th Anniversary | |
| 18 | | 17 th Anniversary | |
| 19 | | 18 th Anniversary | |
| 20 | | 19 th Anniversary | |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. **Schedule 4 – Estimated Annual Production**

Estimated Annual Production commencing on the Commercial Operation Date with respect to System under the Agreement shall be as follows:

| Term Year | Estimated Production (kWh) | Term Year | Estimated Production (kWh) |
|----------------------|---|----------------------|---|
| 1 | | 11 | |
| 2 | | 12 | |
| 3 | | 13 | |
| 4 | | 14 | |
| 5 | | 15 | |
| 6 | | 16 | |
| 7 | | 17 | |
| 8 | | 18 | |
| 9 | | 19 | |
| 10 | | 20 | |

The values set forth in the table above are estimates (and not guarantees), of approximately how many kWhs are expected to be generated annually by the System assuming the System size indicated in Schedule 1. ForeFront Power may deliver to Purchaser an updated table upon the Commercial Operation Date based on the actual System size.

V. **Schedule 5 – Notice Information**

Purchaser:

[]

ForeFront Power:

[ForeFront Power], LLC
Attn: Director, Energy Services
100 Montgomery St., Suite 1400
San Francisco, CA 94104

With a copy to

[ForeFront Power], LLC
Legal Department
100 Montgomery St., Suite 1400
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:

[To be provided by ForeFront Power when known]

VI. **Schedule 6 – Site Specific Information and Requirements**

In accordance with Section 7.2(f) of the General Conditions, the following information references any known restrictions on the use of the Premises for the construction, ownership, use and operation of the System,

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including any land use restrictions, known underground structures or equipment, or limitations arising under permits or applicable law, as well as any additional Environmental Documents, reports or studies in the possession or control of the Purchaser, which shall each have been delivered to ForeFront Power as of the Effective Date:

| Type of Information | Information Delivered to ForeFront Power as of the Effective Date |
|---|--|
| Phase I environmental site assessment | [Insert applicable details, or mark “Not Applicable”] |
| Reports on site sampling (soil or groundwater) | [Insert applicable details, or mark “Not Applicable”] |
| Land use restrictions imposed by governmental authorities | [Insert applicable details, or mark “Not Applicable”] |
| Lease restrictions on proposed solar installation | [Insert applicable details, or mark “Not Applicable”] |
| Cleanup plan, corrective action plan or permits applicable to Premises | [Insert applicable details, or mark “Not Applicable”] |
| Open spill reports or unresolved release reports | [Insert applicable details, or mark “Not Applicable”] |
| Known underground storage tanks, foundations, utilities | [Insert applicable details, or mark “Not Applicable”] |
| Utility easements or public rights of way | [Insert applicable details, or mark “Not Applicable”] |
| Completed closure or “cap” on buried waste or other materials | [Insert applicable details, or mark “Not Applicable”] |
| Systems in place for extracting and collecting methane, groundwater or leachate | [Insert applicable details, or mark “Not Applicable”] |
| Subject to the control of a trustee, group of entities or entities other than landlord and/or Purchaser | [Insert applicable details, or mark “Not Applicable”] |

ENERGY SERVICES AGREEMENT – ENERGY STORAGE

This Energy Services Agreement (“Agreement”) is made and entered into as of this ____ day of _____, 201__ (or, if later, the latest date of a Party’s execution and delivery to the other Party of this Agreement, the “Effective Date”), between [ForeFront Power], LLC, a Delaware limited liability company] (“ForeFront Power”), and [INSERT LEGAL NAME, ENTITY TYPE AND STATE OF FORMATION] (“Purchaser”; and, together with ForeFront Power, each, a “Party” and together, the “Parties”).

RECITALS

- A. Purchaser desires that ForeFront Power install and operate an energy storage system at the Premises (as hereafter defined) for the purpose of providing Energy Services (as hereafter defined), and ForeFront Power is willing to do the same;
- B. ForeFront Power and Purchaser acknowledged those certain General Terms and Conditions of Energy Services Agreement between Forefront Power, LLC and Purchaser dated as of _____, 201__ (“General Conditions”), which are incorporated by reference as set forth herein; and
- C. The terms and conditions of this Energy Services Agreement, excluding the General Conditions incorporated herein, constitute the “Special Conditions” referred to in the General Conditions.

In consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

- 1. Incorporation of General Conditions. The General Conditions are incorporated herein as if set forth in their entirety.
- 2. Initial Term. The Initial Term of the Agreement shall commence on the Effective Date and shall continue for ten (10) years from the first day of the Billing Period immediately following the Commercial Operation Date (as defined in the General Conditions), unless and until extended or terminated earlier pursuant to the provisions of the Agreement.
{FP Note: If System is paired with a solar System, ensure alignment of commencement of Term in Solar Special Conditions.}
- 3. Schedules. The following Schedules hereto are hereby incorporated into this Agreement:

| | |
|------------|---|
| Schedule 1 | Description of the Premises, System and Scope of Work |
| Schedule 2 | Energy Service Payment |
| Schedule 3 | Early Termination Fee |
| Schedule 4 | Delivery of Energy Services and Performance Guarantee |
| Schedule 5 | Notice Information |
| Schedule 6 | Site-Specific Information and Requirements |

- 4. Privacy. Purchaser acknowledges that the System may collect certain information about Purchaser’s electricity usage and the System performance. Such information may be stored and processed in the United States or any other country in which ForeFront Power or its third-party service ForeFront Powers, or its or their respective affiliates, subsidiaries, or service ForeFront Powers, maintain facilities. Purchaser consents to any such transfer of information outside of Purchaser’s country.

5. Milestone Dates.
- 5.1 The Construction Start Date is *[date]*.
- 5.2 The Guaranteed Commercial Operation Date is *[date]*.
6. Additional System Uses. Purchaser acknowledges and agrees that during the Term, ForeFront Power may, with Purchaser's consent, use the System to provide additional services to third parties including without limitation an electric utility and/or the electrical grid operator, provided that no such additional use shall in any way alter, reduce or eliminate ForeFront Power's obligations under this Agreement.

IN WITNESS WHEREOF and in confirmation of their consent to the terms and conditions contained in this Agreement and intending to be legally bound hereby, ForeFront Power and Purchaser have executed this Agreement as of the Effective Date.

[FOREFRONT POWER], LLC

[INSERT LEGAL NAME]

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date

SCHEDULES**I. Schedule 1: Description of the Premises, System and Subsidy**

| | |
|---|--|
| A. <u>Premises</u> | [Physical Address: _____] [APN Number: _____] |
| Site diagram attached: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| B. <u>Description of Energy Storage System</u> | “System” means the battery or other technology system and related components to be installed by ForeFront Power at the Premises. |
| Energy Storage System Size: | [] kW (AC / [] kWh DC) (this is an estimate (and not a guarantee) of the System size; ForeFront Power may update the System Size prior to the Commercial Operation Date. |
| C. <u>Anticipated Subsidy or Rebate</u> | [\$] <i>[FP Note: e.g., anticipated SGIP incentive.]</i> |

II. Schedule 2 – Energy Services Payment

Purchaser shall pay to ForeFront Power a monthly payment (the “Energy Services Payment”) for the Energy Services provided by the System during each calendar month of the Term equal to _____ dollars (\$[____]) per month.

III. Schedule 3 – Early Termination Fee

The Early Termination Fee with respect to the System under the Agreement shall be calculated in accordance with the following:

| Early Termination Occurs in Year: | Column 1 Early Termination Fee where Purchaser does <u>not</u> take Title to the System (\$/Wac including costs of removal) | Purchase Date Occurs on the 1 st day following: (Each “Anniversary” below shall refer to the anniversary of the Commercial Operation Date) | Column 2 Early Termination Fee where Purchaser takes Title to the System (\$/Wac, does <u>not</u> include costs of removal) |
|-----------------------------------|--|--|--|
| 1* | | | -- |
| 2 | | | -- |
| 3 | | | -- |
| 4 | | | -- |
| 5 | | | -- |
| 6 | | | -- |
| 7 | | | -- |
| 8 | | 7 th Anniversary | -- |
| 9 | | | -- |
| 10 | | | -- |
| | | 10 th Anniversary | \$0 |

At Expiration (the end of the Initial Term), the amount in Column 1 shall be deemed to be zero (0).

*Includes Early Termination prior to the Commercial Operation Date.

IV. Schedule 4 – Delivery of Energy Services

4.1 Energy Services; Guarantee

(a) ForeFront Power shall operate the System to reduce Purchaser's peak electric energy demand from the Local Public Utility (such reduction, the "Energy Services"). ForeFront Power shall provide Actual Annual Demand Reductions of at least [] kW AC over any Term Year (such amount, the "Minimum Guaranteed Demand Reduction").

(b) If ForeFront Power does not provide at least the Minimum Guaranteed Demand Reduction, ForeFront Power shall credit Purchaser an amount equal to Purchaser's Lost Savings on an invoice or invoices within ninety (90) days after the end of such period, up to the Lost Savings Cap. Upon ForeFront Power's payment of any Lost Savings, ForeFront Power shall be deemed to have met the Minimum Guaranteed Demand Reduction for each Term Year.

(c) The Parties acknowledge and agree that Purchaser's purchase under the Agreement does not include any right or title to seek any capacity payments that may be attributable to the System, and that all such rights are reserved and retained by ForeFront Power, subject to Applicable Law.

4.2 The Minimum Guaranteed Demand Reduction shall, for each Term Year, be reduced to the extent ForeFront Power's ability or cost to provide the Energy Services are adversely affected by any of the following:

(a) Any act or omission by Purchaser affects the System in any way that impairs its ability to safely store and discharge energy or ForeFront Power's ability to monitor or control the System.

(b) Theft, destruction or damage affects the System in any way that impairs its ability to safely store and discharge energy or ForeFront Power's ability to monitor or control the System, except to the extent caused by the manufacturer of the System or ForeFront Power.

(c) A Disruption Period occurs.

(d) A Purchaser Default, including ForeFront Power suspending the Energy Services as a result of a Purchaser Default.

(e) Purchaser fails to provide access to the Premises or the System as required by Section 7.2(d) of the General Conditions.

(f) A Force Majeure Event.

(g) Purchaser elects to have the Local Electric Utility apply a different tariff to the Premises that has an adverse impact on Provider's ability to reduce Purchaser's peak demand from the Local Electric Utility.

(h) *[Any Material Deviation in the Purchaser's Load Profile at the Premises from the Base Year Load not resulting from the Energy Services or ForeFront Power's acts or omissions.]

On each invoice submitted by ForeFront Power to Purchaser, ForeFront Power shall, if applicable, include a statement of the amount by which the Minimum Guaranteed Demand Reduction will be reduced pursuant to this Section 4.2. If Purchaser does not dispute the amount of such reduction within thirty (30) days after its receipt of such invoice, Purchaser will be deemed to have accepted such reduction.

4.3 If there is a change in the Local Electric Utility Tariff applicable to the Premises that has a material impact on ForeFront Power's ability to provide the Energy Services or evaluate compliance with the performance guarantee in this Schedule IV, then upon written notice from ForeFront Power to Purchaser, the Parties shall negotiate in good faith to make the minimum changes to this Agreement necessary to preserve to the maximum extent possible the benefits, burdens and obligations set forth in this Agreement as of the Effective Date; *provided*, any change in the rates or other costs applicable to the Premises under the Local Electric Utility Tariff will not

constitute a change that will cause this Section 4.3 to be applicable. Notwithstanding the foregoing, ForeFront Power shall continue to provide the Energy Management Services, and Purchaser shall continue to make the Energy Services Payments, while the Parties negotiate the changes to the Agreement contemplated in this Section 4.3.

4.4 Additional Defined Terms.

{FP Note: Many defined terms assume monthly billing by the Local Electric Utility. Verify that this is the case for the Premises.}

“Actual Annual Demand Reduction” or “AADR” means the sum of all Actual Demand Reductions during each Term Year, calculated as follows:

$$\text{AADR}_{\text{Term Year}} = \text{ADR}_{\text{Billing Period 1}} + \text{ADR}_{\text{Billing Period 2}} \dots + \text{ADR}_{\text{Billing Period 24}}$$

“Actual Demand Reduction” or “ADR” means the sum of the Peak Demand Reductions occurring during Demand Periods for which a Demand Charge is charged, within a Billing Period, calculated as follows:

$$\text{ADR}_{\text{Billing Period}} = \text{PDR}_{\text{Demand Period 1}} + \text{PDR}_{\text{Demand Period 2}} \dots + \text{PDR}_{\text{Demand Period Final}}$$

“Base Year Load” means the electrical load of the Premises during the 12 months immediately preceding the Effective Date, as recorded by the Local Electric Utility meter(s).

“Billing Period(s)” means each of the consecutive time periods applicable to Purchaser during which the Utility assesses and bills demand charges for the Premises.

“Demand Charge” means a charge by the Local Electric Utility generally assessed for a given period based upon Purchaser’s maximum demand (on a per kW basis) occurring during such period, generally charged as a fixed rate calculated with reference to such maximum demand.

“Demand Period” means each period within a Billing Period for which a Demand Charge is or could be assessed by the Local Electric Utility. The Premises may have one or more Demand Periods per Billing Period, including, if applicable, Demand Periods referred to as “Peak”, “Part-Peak”, “Off-Peak”, “Non-Coincident”, or “On-Peak”.

“Guarantee Rate” or “GR” is _____ dollars (\$[____]) per kW AC.

“Local Electric Utility Tariff” means the retail tariff pursuant to which the Local Electric Utility provides electric distribution and interconnection services to Purchaser at the Premises. As of the Effective Date, the Local Electric Utility Tariff applicable to the Premises is [_____].

“Lost Savings” means the dollar amount ForeFront Power will credit to Purchaser in accordance with the terms of this Agreement for any Term Year for which MGDR exceeds AADR, calculated as follows:

$$\text{“Lost Savings”} = (\text{MGDR} - \text{AADR}) \times \text{GR}$$

“Lost Savings Cap” means, for each individual Term Year, an amount equal to _____ dollars (\$_____).

[“Material Deviation in the Premises’ Load Profile” is determined as follows: Provider will calculate the Premise’s Peak Spreads on the Premise’s Billing Periods for the Base Year Load. Commencing on the Effective Date, Provider will calculate the Peak Spread on the Premise’s Billing Period for each twelve (12) month period during the term of this Agreement (each twelve (12) month period “Comparison Period”). Provider will compare the Peak Spread for each Billing Period in a Comparison Period to the Peak Spread of its corresponding Billing Period in the Base Load Year to calculate the decrease in Peak Spread for each of the twelve (12) Billing Periods, expressed as a percentage of the Peak Spread in the Base Load Year (“Peak Spread Decrease”). A Material Deviation in the Premises’ Load Profile has occurred if the average Peak Spread Decrease for any twelve (12) month Comparison Period is greater than ten percent (10%).]*

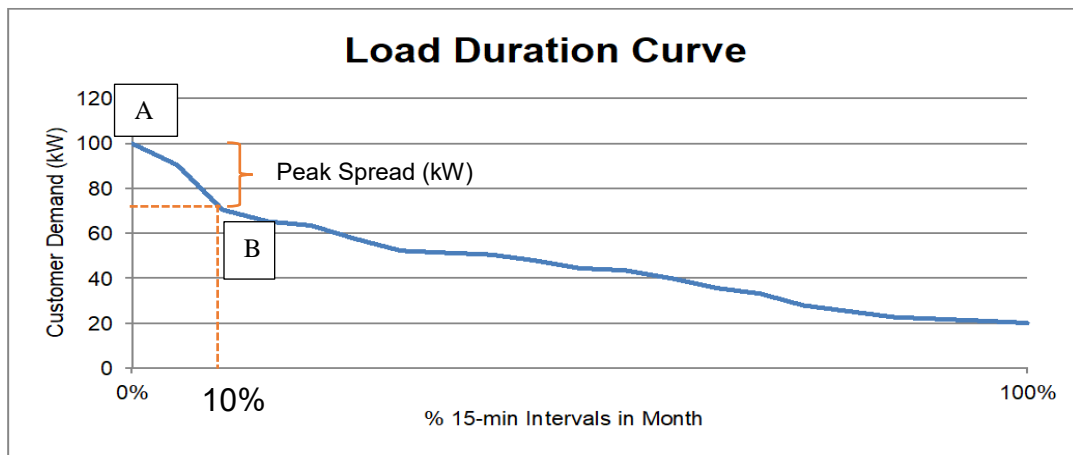
“Minimum Guaranteed Demand Reduction” or “MGDR” has the meaning set forth in Section 4.1(a) of this Schedule 4 as reduced from time to time by the Material Deviation in Purchaser’s Load Profile

“Peak Demand Level” or “PDL” means the maximum electricity service demand level (in kW AC) in a Demand Period for the Premises, as billed by the Local Electric Utility.

“Peak Demand Reduction” or “PDR” means the amount of the reduction in maximum electricity service demand level (in kW AC) in a Demand Period for the Premises, calculated as True Peak Load minus Peak Demand Level.

*[“Peak Spread” means the kW (or Purchaser Demand) change between a Premise’s maximum load as compared to ten percent (10%) of 15-minute interval demand readings (visualized on the horizontal axis below). Peak Spreads are measured during each of the twelve (12) annual Billing Periods and are utilized in calculating a Material Deviation in the Purchaser’s Load Profile. Over one Billing Period, let

- A = Premise’s maximum load
- B = The point on the Premise’s Load Duration Curve, in kW, that corresponds to 10% of the 15-minute interval demand readings (visualized on the horizontal axis below).
- For this utility bill period, the Peak Spread = A – B.]



“True Peak Load” means the maximum electricity service demand level in a Demand Period for the Premises, which demand may be supplied by the Storage System, the Local Electric Utility, on-site electricity generation (if any), or other distributed energy resource. The True Peak Load is calculated as the highest combined total of the electricity sources concurrently providing electric energy to the Premises during a *[settlement interval used by the Local Electric Utility to calculate Peak Demand Level]*.

**[FP Note: These provisions are subject to confirmation of System manufacturer calculation methodology at the time the Special Conditions are negotiated with Purchaser.]*

V. Schedule 5 – Notice Information

Purchaser:

[]

ForeFront Power:

[ForeFront Power], LLC
Attn: Director, Energy Services

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100 Montgomery St., Suite 1400
San Francisco, CA 94104

With a copy to

[ForeFront Power], LLC
Legal Department
100 Montgomery St., Suite 1400
San Francisco, CA 94104
Email: FPLegal@forefrontpower.com

Financing Party:
[To be provided by ForeFront Power when
known]

VI. Schedule 6 – Site Specific Information and Requirements

In accordance with Section 7.2(f) of the General Conditions, the following information references any known restrictions on the use of the Premises for the construction, ownership, use and operation of the System, including any land use restrictions, known underground structures or equipment, or limitations arising under permits or applicable law, as well as any additional Environmental Documents, reports or studies in the possession or control of the Purchaser, which shall each have been delivered to ForeFront Power as of the Effective Date:

| Type of Information | Information Delivered to ForeFront Power as of the Effective Date |
|---|--|
| Phase I environmental site assessment | [Insert applicable details, or mark “Not Applicable”] |
| Reports on site sampling (soil or groundwater) | [Insert applicable details, or mark “Not Applicable”] |
| Land use restrictions imposed by governmental authorities | [Insert applicable details, or mark “Not Applicable”] |
| Lease restrictions on proposed solar installation | [Insert applicable details, or mark “Not Applicable”] |
| Cleanup plan, corrective action plan or permits applicable to Premises | [Insert applicable details, or mark “Not Applicable”] |
| Open spill reports or unresolved release reports | [Insert applicable details, or mark “Not Applicable”] |
| Known underground storage tanks, foundations, utilities | [Insert applicable details, or mark “Not Applicable”] |
| Utility easements or public rights of way | [Insert applicable details, or mark “Not Applicable”] |
| Completed closure or “cap” on buried waste or other materials | [Insert applicable details, or mark “Not Applicable”] |
| Systems in place for extracting and collecting methane, groundwater or leachate | [Insert applicable details, or mark “Not Applicable”] |
| Subject to the control of a trustee, group of entities or entities other than landlord and/or Purchaser | [Insert applicable details, or mark “Not Applicable”] |

**AMENDED AND RESTATED
SPURR RENEWABLE ENERGY AGGREGATED PROCUREMENT (REAP) PROGRAM
MASTER CONTRACT**

This AMENDED AND RESTATED SPURR REAP Master Contract (this “RMC”), is made effective as of September 15, 2019 (the “Effective Date”), by and between the School Project for Utility Rate Reduction, a California joint powers authority (“SPURR”) and ForeFront Power, LLC, a Delaware Limited Liability Company (“Vendor”). This RMC amends and restates that certain SPURR REAP Master Contract dated October 26, 2017, as amended on April 25, 2019 (as amended, the “Original Agreement”).

BACKGROUND

- A. SPURR is a “Joint Powers Authority” formed by California public school districts, county offices of education, and community college districts pursuant to the California Joint Exercise of Powers Act. SPURR, with over 240 member organizations, aggregates purchasing power and expertise for thousands of public agency facilities across California. SPURR programs include natural gas, electricity, LED lighting, utilities data management and conservation, telecommunications and networking, solar energy and energy storage, and demand response.
- B. Pursuant to SPURR’s Joint Powers Agreement and to SPURR Board of Directors Resolution No. 14-01, SPURR is duly authorized to create and operate one or more aggregated solar procurement programs, herein referred to collectively as the Renewable Energy Aggregated Procurement Program (the “REAP Program”).
- C. SPURR’s REAP Program is an innovative aggregated solar procurement program that leverages the collective purchasing power of SPURR’s large membership to secure transparent, pre-negotiated solar project pricing and terms to be made available to SPURR members and other Eligible Entities. “Eligible Entities” mean:
- California public school districts, county offices of education, and community college districts, whether they are members of SPURR or not.
 - Other public agencies or non-profit educational entities in California whose procurement rules (whether internal rules or statutory requirements), allow them to purchase goods or services through a procurement vehicle such as SPURR.
- D. On July 19, 2017, SPURR issued a REAP Program Request for Proposals (the “RFP”), seeking prospective vendor terms and conditions for solar and energy storage projects (“Projects”). The RFP specified that the pricing and terms of any award made pursuant to the RFP would be made available to Eligible Entities.
- E. The REAP Program and RFP is intended to benefit Eligible Entities by providing:
- A streamlined, transparent, and competitive procurement process for Projects.
 - The best available Project pricing, obtained by taking advantage of SPURR’s purchasing power and experience in competitive energy procurement.
 - Minimized administrative strain associated with Project procurement, including reduced time and expense dedicated to the procurement process.
 - Competitively procured, easily understood terms and conditions of service.
 - Access to firm Project pricing and terms, so that estimated Project returns on investment and other benefits and risks can be quickly and accurately assessed.

- F. Fresno Unified School District (“Fresno USD”), recognizing the benefits of participating in SPURR’s REAP Program, acted as a cooperating agency in the RFP process. Fresno USD worked with SPURR to develop the RFP scope of work, assisted with vendor site walks, participated in the scoring of proposals and the selection of Vendor, and signed a “Letter of Intent to Participate as Cooperating Agency” signifying their intent to utilize Vendor if they proceed with Projects in 2017 or 2018.
- G. Seven Eligible Entities provided commitments of support for the REAP Program RFP (“Letters of Support”), including Atascadero USD, Contra Costa Community College District, Franklin-McKinley School District, Paramount USD, San Francisco USD, San Mateo-Foster City School District, and State Center Community College District.
- H. SPURR invited qualified vendors to submit qualifications, pricing, terms, and designs for illustrative sample Projects and for eight Fresno USD Projects. SPURR advertised the RFP by publication and by distributing the RFP by email to more than seventy (70) prospective solar vendors, energy storage vendors, consultants, and suppliers.
- I. For each Project included in the RFP, SPURR provided a detailed list of Project includes, excludes, specifications, and assumptions. In response to questions submitted by interested vendors, SPURR issued one or more Addenda to the RFP.
- J. SPURR received eight (8) responses to the RFP. SPURR evaluated all responses which complied with the terms of the RFP, using best value criteria including but not limited to an evaluation of the quality of the submitted proposals, proposed pricing, system value, system design and features, relevant experience with similar projects, team member qualifications, financial viability, vendor’s ability to provide quality service to SPURR’s large membership, and feedback from references.
- K. SPURR used the following system in scoring RFP proposals:
- Company Profile and Financial Strength: 15%
 - Company Background, Experience, and References: 20%
 - Project Design and Project Approach: 20%
 - Pricing and Proposed Terms: 45%
 - TOTAL: 100%
- L. SPURR selected Vendor for an award under the RFP. Additional information regarding Vendor is set forth in Appendix A to this RMC. The pricing and terms proposed by Vendor, as described in this RMC, will represent a transparent offer that Eligible Entities can adopt to meet their unique Project needs.
- M. The parties are entering into this RMC to evidence the terms and conditions of the award to Vendor.

AGREEMENT

Now, therefore, for good and valuable consideration, the parties agree as follows.

1. GRANT AND ACCEPTANCE OF AWARD

SPURR awards this RMC to Vendor under the RFP at the prices and terms (the “Vendor Offer”) listed in Appendix B, which have been amended, restated, and improved. Vendor accepts such award, confirms Vendor’s acceptance of all terms and conditions of the RFP, and confirms its obligations to honor the representations or commitments made by Vendor in its response to the

RFP and subsequent amended, restated, and improved provisions ("Vendor's RFP Response"). The terms and conditions of the RFP, and the representations and commitments of Vendor's RFP Response are hereby incorporated by reference into this RMC.

The Vendor Offer, which was originally available for acceptance by Eligible Entities through December 31, 2019, is now available through December 31, 2020 (the "Vendor Offer Deadline"); provided, that SPURR and Vendor may mutually agree to extend the Vendor Offer Deadline for an additional period of up to two years.

The pricing and terms described in Vendor Offer are considered firm and may be adjusted only to the extent that Vendor can satisfactorily demonstrate to an Eligible Entity and to SPURR that a prospective Project differs significantly from the detailed list of Project inclusions, exclusions, assumptions, and specifications detailed in the RFP and listed in Appendix C.

The pricing and terms of the Vendor Offer have been improved and enhanced as of September 15, 2019 including reduced PPA Pricing and design/build pricing. The reduced pricing is applicable to any and all REAP Project Agreements executed by a Participant on or after September 15, 2019. The PPA pricing listed in Appendix B are based on an assumed decline in the federal Investment Tax Credit for solar power installations (the ITC) from its current level of 30% to 26%, effective January 1, 2020, pursuant to current law. If current law is revised to lessen the decrease in ITC applicable in calendar year 2020, then the parties will promptly negotiate in good faith regarding further PPA pricing reductions.

2. PROGRAM PARTICIPATION

A "Participant" in the REAP Program is any Eligible Entity that uses or references the REAP Program as the basis for their selection of Vendor to implement one or more Projects.

A "REAP Project Agreement" means any power purchase agreement ("PPA"), design/build contract, lease, energy storage agreement, performance guarantee, or similar agreement, or any combination of such agreements, related to a Participant's Project to be implemented by Vendor, including any amendment, revision, extension, or renewal of such agreements.

REAP Project Agreements may relate to Projects located at sites controlled by the Participant, or located at other sites (as in an "over the fence" agreement or a "community solar" arrangement), so long as Participant selects Vendor to implement the Project on their behalf.

Eligible Entities may authorize Vendor to perform feasibility studies, conduct site inspections, and provide binding offers for prospective Projects. Eligible Entities are not obligated to procure Projects with Vendor and are not responsible for any costs incurred by Vendor for conducting its feasibility study, site inspections, offer preparation or any other activity prior to execution of a REAP Project Agreement.

When presenting a Project proposal to an Eligible Entity, Vendor must describe and support in writing any deviations from the pricing and terms memorialized in this RMC. At the request of an Eligible Entity, SPURR will review Vendor's offer for reasonable conformity with this RMC and will report the results of such review to the Eligible Entity. SPURR's review will not constitute a legal review or a feasibility study.

If Provider proposes pricing to a Participant or prospective Participant that varies from the pricing memorialized in the RMC, then Provider shall deliver documentation justifying the price adjustment to SPURR by email at solar@spurr.org not more than five (5) business days after Provider's final proposal to Participant or prospective Participant. Such documentation must include detail regarding any deviations from the assumptions, inclusions, and exclusions specified in the Vendor

Offer attached to the RMC, as well as the values to be used in the Distribution Upgrades, Scope Changes (ITC Eligible), and Scope Changes (Non-ITC Eligible) adjustment formulas.

Cost adjustment factor values used in any adjustment formulas will align with the following values, adjusted based on anticipated system yield. Assuming a system yield of 1650 kWh/kW-DC, (a) for ITC Eligible scope changes, for every \$0.01 per watt DC of such associated costs, the kWh rate in the PPA Rate Table will increase \$0.00045 per kWh, and (b) for Non-ITC Eligible scope changes, for every \$0.01 per watt DC of such associated costs, the kWh rate in the PPA Rate Table will increase \$0.0006 per kWh.

3. PROGRAM PROMOTION

Vendor will use commercially reasonable efforts to conduct marketing, educational, and sales efforts to promote the REAP Program and Vendor Offer secured through the RFP and under this RMC ("Vendor Marketing"). Vendor will provide regular updates, at least weekly, to SPURR regarding Vendor Marketing, including a list of prospective Participants with contact information. Vendor shall provide a single point of contact with the authority and responsibility for the overall success of the SPURR REAP Program.

Vendor will take the lead in generating interest in the REAP Program, with SPURR in a supporting role, and will use the RMC as Vendor's preferred form of contracting with Eligible Entities. Vendor's sales force will be trained and engaged in the promotion of the REAP Program and the RMC for the duration of the contract term. Vendor will not encourage or induce an Eligible Entity to procure a Project outside of the REAP RFP Program.

SPURR will use commercially reasonable efforts to support Vendor Marketing. SPURR will promote the REAP Program through the creation of marketing materials, digital marketing campaigns, and active outreach to its constituents. SPURR will promptly provide electronic copies of REAP Program documentation to any Eligible Entity upon request.

SPURR will schedule periodic reviews to evaluate the Selected Vendor's performance of the commitments outlined in this RFP. If Selected Vendor reports "No Sales" for three (3) consecutive quarters, the Selected Vendor may be put on probationary status for one (1) additional quarter. If "No Sales" are reported during the probationary period, the Vendor Awarded contract will be subject to immediate termination by SPURR.

Each party to this RMC represents to the other party that it will conform to the highest industry professional standards in all marketing and implementation activities related to this RMC and the REAP Program.

4. USE AND LIMITATIONS OF REAP PROGRAM

Each Eligible Entity will (a) determine for itself whether participation in the REAP Program and use of this RMC complies with their procurement rules, (b) determine for itself whether Vendor's offer suits their needs for a Project, (c) authorize, pursuant to California Government Code sections 4217.10-4217.18 or such other law or regulation as they determine is appropriate, the execution and delivery to Vendor of a REAP Project Agreement and any other documentation necessary or appropriate to complete a Project.

Nothing in the RFP or this RMC may be construed as SPURR's provision of legal, engineering, financial, or technical advice to Vendor, Eligible Entities, or Participants. Nothing in the RFP or this RMC may be construed as SPURR's recommendation to Vendor, Eligible Entities, or Participants regarding a specific Project's size, scope, delivery date, or suitability for the needs of an Eligible Entity or Participant.

SPURR will not provide warranties regarding Projects or performance by Vendor, will not represent Vendor in the resolution of disputes with Eligible Entities or Participants, and will not guarantee payment by Participants.

5. ADMINISTRATIVE FEES

Vendor acknowledges that they will benefit from the REAP Program by avoiding the time and expense required to go through competitive bidding processes with individual Eligible Entities, and by publicizing their status as the winner of a SPURR competitive procurement. These benefits will increase Vendor's potential business opportunities and provide significant advantages in the marketplace. In consideration of these benefits, Vendor will pay administrative fees ("Administrative Fees") to SPURR as described in the RFP and set forth in this RMC.

Vendor acknowledges and that Administrative Fees do not constitute additional fees over and above the pricing memorialized in this RMC. Vendor acknowledges that they are solely responsible for payment of Administrative Fees.

Administrative Fees will be due to SPURR (a) for each REAP Project Agreement signed between a Participant and Vendor, or any affiliate of Vendor, and, in addition (b) for each Notice to Proceed or other document authorizing commencement of construction (an "NTP") under a REAP Project Agreement. For the avoidance of doubt, the Administrative Fee associated with issuance of NTP shall only be payable if NTP is actually issued for such Project. NTP means that Vendor has commenced construction on the Project. Within three (3) business days of construction commencement, Vendor will issue NTP documentation to SPURR verifying that construction has commenced and provide final Project size.

Administrative Fees will be calculated based on the following table:

| | Execution of REAP Project Agreement by Participant | Issuance of NTP |
|---------------------------------|--|--------------------------|
| Type of Project: Solar PV | \$0.0425 / Watt-DC | \$0.0425 / Watt-DC |
| Type of Project: Energy Storage | \$0.02125 / Watt-hour-DC | \$0.02125 / Watt-hour-DC |

Project size will be based on the Project capacity described in the executed REAP Project Agreement or NTP.

Payment of Administrative Fees will be due within twenty (20) days of invoice by SPURR. Past due Administrative Fees will be subject to late fees and costs of collection. Late fees shall accrue at the rate of one and one half percent (1.5%) per month on all past due Administrative Fee balances until payment is received by SPURR. In addition, SPURR shall be entitled to recover from Vendor reasonable costs of collection, including reasonable attorney's fees, for any past due Administrative Fees or for late fees.

6. VENDOR OBLIGATION TO PROVIDE DOCUMENTATION

Documentation and notifications sent pursuant to this section shall be emailed to solar@spurr.org.

Vendor will notify SPURR by email within five (5) business days after Vendor learns that any Eligible Entity intends to become a Participant.

Not later than five (5) business days after an Eligible Entity executes a REAP Project Agreement, Vendor shall email SPURR an executed copy of the REAP Project Agreement, in pdf format.

Not later than five (5) business days after an NTP is issued for any Project, Vendor shall email SPURR a copy of the NTP, in pdf format. NTPs must include the issuance or construction commencement date, Project capacity size in W-DC or Watt-hour-DC, location, and Participant name.

Vendor will promptly provide SPURR with other documentation directly related to implementation of a REAP Project Agreement as may be reasonably requested by SPURR, including utility interconnection studies and applications, utility incentive program studies and applications, and Project implementation schedules.

7. INDEMNIFICATION

Vendor will indemnify, defend and hold harmless SPURR and any Participant contracting with Vendor under this RMC ("Indemnified Parties") from any and all claims, demands, suits, proceedings, loss, cost and damages of every kind and description, including any attorney's fees or litigation expenses, which might be brought against or incurred by Indemnified Parties on account of loss or damage to any property or for injuries to or death of any person, caused by, arising out of, or contributed to, in whole or in part, by reasons of any act, omission, professional error, fault, mistake, or negligence of Vendor, its employees, agents, representatives, or subcontractors in connection with or incident to this RMC, or arising out of worker's compensation claims, unemployment compensation claims, or unemployment disability compensation claims of employees of Vendor, or its subcontractors or claims under similar laws or obligations. Vendor's indemnification obligation will not extend to liability caused by the negligence of Indemnified Parties.

8. ATTORNEYS' FEES

If any action at law or in equity is brought to enforce or interpret the provisions of this RMC, the prevailing party will be entitled to reasonable attorneys' fees, in addition to any other relief to which the party may be entitled.

9. SEVERABILITY

If any provision of this RMC is held invalid or unenforceable by a court of competent jurisdiction, no other provision of this RMC will be affected by such holding, and all of the remaining provisions of this RMC will continue in full force and effect.

10. FORCE MAJEURE EVENTS

A "Force Majeure Event" means any act or event that prevents the affected party to this RMC (the "Affected Party") from timely performing its obligations under this RMC, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the Affected Party and the Affected Party has been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums); provided, that a Force Majeure Event shall not be based on the economic hardship of an Affected Party, or upon the termination or expiration of any contractual rights in favor of the Affected Party.

Except as otherwise provided in this RMC, the Affected Party shall not be considered in breach of the RMC or liable for its delay or failure to comply with the RMC for a period not to exceed ninety (90) days, and only to the extent that such delay or failure is directly attributable to a Force Majeure Event; provided, that the Affected Party shall, as soon as practicable after becoming aware of the circumstances constituting Force Majeure (i) notify the other party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other party in writing of the cessation or termination of said

Force Majeure Event and (iv) resume performance of its obligations hereunder as soon as practicable thereafter.

Notwithstanding any other provision of this RMC, a Force Majeure Event shall not excuse any delay or failure of the Affected Party to timely pay the other party amounts due under this RMC.

11. ASSIGNMENT

Vendor shall not assign all or part of its interest in this RMC without SPURR's prior written consent, which consent shall not be unreasonably withheld. Any assignment by Vendor of an interest in this RMC shall not release Vendor of its obligations under this RMC, except with SPURR's express written consent, which SPURR may choose to provide in its sole discretion.

12. DEFAULTS

A "Vendor Default" means any of the following events:

(a) Vendor defaults on any obligation under this RMC and such default is not cured within thirty (30) days after notice of the default from SPURR to Vendor, except to the extent that delay in performance of its obligations is excused by a Force Majeure Event,

(b) any REAP Project Agreement default by Vendor, or by any affiliate of Vendor obligated under a REAP Project Agreement, which is not cured within the time for cure provided in that REAP Project Agreement,

(c) the commencement by Vendor, or by any affiliate of Vendor obligated under a REAP Project Agreement, of a voluntary case under title 11 of the United States Code or the corresponding provisions of any successor laws (the "Bankruptcy Code"),

(d) the commencement of an involuntary case against Vendor, or against any affiliate of Vendor obligated under a REAP Project Agreement, under the Bankruptcy Code if either (i) the case is not dismissed within sixty (60) days after commencement or (ii) the court before which the case is pending issues an order for relief or similar order approving the case,

(e) a court of competent jurisdiction appoints, or the Vendor, or any affiliate of Vendor obligated under a REAP Project Agreement, makes an assignment of all or substantially all of its assets to, a custodian (as that term is defined in the Bankruptcy Code) for the Vendor, or for any affiliate of Vendor obligated under a REAP Project Agreement, or

(f) Vendor, or any affiliate of Vendor obligated under a REAP Project Agreement, fails generally to pay their debts as they become due (unless those debts are subject to a good-faith dispute as to liability or amount) or acknowledges in writing that it is unable to do so.

In the event of a Vendor Default, SPURR may pursue any and all available remedies against Vendor, including immediate revocation of the award to Vendor under the RFP and termination of this RMC.

If SPURR defaults on any obligation under this RMC (a "SPURR Default") and such default is not cured within thirty (30) days after notice of the default from Vendor to SPURR, except to the extent that delay in performance of its obligations is excused by a Force Majeure Event, then Vendor may pursue any and all available remedies against SPURR, including termination of this RMC.

13. TERM AND TERMINATION

This RMC will terminate on the Vendor Offer Deadline, including any extension of the Vendor Offer Deadline, unless earlier terminated due to Vendor Default or a SPURR Default. Termination of this RMC will not excuse timely performance by any party of obligations to the other party incurred prior to such termination. The following sections of this RMC will survive any termination of this RMC:

Vendor Obligation to Provide Documentation, Administrative Fees, Indemnification, Attorneys' Fees, Governing Law, Relationship Of The Parties, and Notices.

14. GOVERNING LAW

This RMC shall be governed by California law, without regard to principles of conflicts of law.

15. RELATIONSHIP OF THE PARTIES

The relationship between the parties to this RMC shall not be that of partners, agents, or joint ventures for one another. The parties to this RMC, in performing any of their obligations under this RMC, shall be independent parties and shall discharge their obligations at their own risk.

16. NOTICES

All notices under this RMC must be in writing and will be effective (a) immediately upon delivery in person or by messenger, (b) two (2) business days after prepaid deposit with a commercial courier or delivery service for next day delivery, (c) upon receipt by facsimile as established by evidence of successful transmission, or (d) five (5) business days after deposit with the US Postal Service, certified mail, return receipt requested, postage prepaid.

All notices must be properly addressed to the addresses set forth on the signature page to this RMC, or at such other addresses as either party may subsequently designate by notice.

17. COUNTERPARTS AND DELIVERY

This RMC may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument. This RMC may be duly executed and delivered by a party's execution and facsimile or electronic delivery (in pdf format) of the signature page of a counterpart to the other party.

18. AMENDMENT AND RESTATEMENT

As of the Effective Date, this RMC amends and restates and supersedes in its entirety the Original Agreement. The terms and conditions of the Original Agreement shall continue to apply to any REAP Project Agreement executed prior to the Effective Date.

IN WITNESS WHEREOF, the parties have executed this RMC as of the Effective Date.

SCHOOL PROJECT FOR UTILITY RATE
REDUCTION, a California joint powers
authority

By:  _____

Michael Rochman

Managing Director

Address for Notice:

Attn: Managing Director

1850 Gateway Blvd, Suite 235

Concord, CA 94520

Phone: (925)743-1292

Email: Service@spurr.org

ForeFront Power LLC, a Delaware limited
liability company

By:  _____

Print Name: Paul Walker

Print Title: Co-Chief Executive Officer

Address for Notice:

Attn: Brian Taylor

Address: 100 Montgomery Street, Suite 725

City, State, Zip: San Francisco, CA 94104

Phone: 650-743-7880

Email: BTaylor@forefrontpower.com

APPENDIX A – VENDOR INFORMATION

Vendor: ForeFront Power LLC

SPURR Board Authorization: Resolution No. 14-01

RFP Issued: 07/19/2017

RFP Title: Renewable Energy Aggregated Procurement (REAP) Program Request for Proposals (RFP)

Sales Contact #1

Name: Brian Taylor
Title: Sales Director
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 650-743-7880
Alt Phone: _____
Email: btaylor@forefrontpower.com

Technical Contact

Name: Nate Roberts
Title: Senior Director, Development
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 916.402.7277
Alt Phone: _____
Email: nroberts@forefrontpower.com

Sales Contact #2

Name: Go Mizoguchi
Title: Co-Chief Executive Officer
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 310-922-8424
Alt Phone: _____
Email: GO@forefrontpower.com

Other Contact (Optional)

Name: Rachel McLaughlin
Title: Vice President, Sales
Address: 100 Montgomery Street
City, St, Zip: San Francisco, CA 94104
Phone: 636-675-2513
Alt Phone: _____
Email: rmclaughlin@forefrontpower.com

APPENDIX B – VENDOR OFFER

Vendor: ForeFront Power, LLC

SPURR Board Authorization: Resolution No. 14-01

RFP Issued: 07/19/2017

RFP Title: Renewable Energy Aggregated Procurement (REAP) Program Request for Proposals (RFP)

Background: Vendor Offer is based on a list of Project includes, excludes, assumptions, specifications, and sample site maps provided to Vendor in the RFP and as provided in Appendix C. Vendor was required to submit system designs, pricing, and terms for Projects at two sample elementary schools, two sample middle schools, a sample RES-BCT ground-mount project, two sample municipal sites, seven Fresno USD high schools, and the Fresno USD District Service Center.

Vendor Offer includes purchase pricing and Power Purchase Agreement (PPA) pricing for solar and solar plus storage projects for:

- Each unique site.
- Portfolio #1: Small sample sites.
- Portfolio #2: All sites (excluding municipal sites and RES-BCT project).
- Portfolio #3: All Fresno USD sites SPURR recognizes that final Project pricing for each Participant may vary slightly based on actual scope of work, unique site conditions, specific location, market conditions, availability of incentive funding, required utility upgrades, or other factors that may impact final contract pricing.

Project price adjustments above the pricing memorialized in this RMC must be justified by Vendor on a case by case basis by documenting price adjustments and rationale to SPURR for SPURR's confirmation and approval. The format of such document will be approved by SPURR.

**REAP 2.0 Program - Sample System Description and Pricing Summary
for Project Agreements Executed 9/15/2019 through 12/31/2019**

| | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Waste-water Treatment Plant | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | High School B | High School E | High School F | High School H | High School M | High School R | High School S | District Service Center |
|---|---|---------------------------|---|----------------------------------|----------------------------------|------------------------------|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|
| System Description | Ground Mount Single Axis Tracker | Rooftop and Carport | Ground Mount Single Axis Tracker | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport |
| PV System Size (kW-DC) | 1101.6 | 792.4 | 1175.0 | 166.1 | 191.7 | 351.5 | 370.6 | 1022.4 | 1169.4 | 830.7 | 1361.1 | 894.6 | 594.3 | 1808.4 | 645.4 |
| Single Bay Capacity (kW-DC) | N/A | 115.0 | N/A | 166.1 | 0.0 | 0.0 | 76.7 | 102.2 | 313.1 | 0.0 | 0.0 | 127.8 | 51.1 | 351.5 | 0.0 |
| Double Bay Capacity (kW-DC) | N/A | 466.5 | N/A | 0.0 | 191.7 | 351.5 | 293.9 | 920.2 | 856.3 | 830.7 | 1361.1 | 766.8 | 543.2 | 1456.9 | 645.4 |
| Roof or Ground Mount Capacity (kW-DC) | 1101.6 | 210.9 | 1175.0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| PV First Year Production (kWh/year) | 2,243,959 | 1,303,477 | 2,373,581 | 260,840 | 305,570 | 565,835 | 614,117 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| System Yield (kWh/kW-DC-year) | 2,037 | 1,645 | 2,020 | 1,570 | 1,594 | 1,610 | 1,657 | 1,728 | 1,622 | 1,638 | 1,555 | 1,554 | 1,615 | 1,634 | 1,669 |
| PV PPA Rate - 20 Year 0% Escalation (\$/kWh) | \$0.064 | \$0.096 | \$0.064 | \$0.133 | \$0.131 | \$0.123 | \$0.121 | \$0.104 | \$0.112 | \$0.113 | \$0.114 | \$0.117 | \$0.110 | \$0.105 | \$0.103 |
| PV Cash Purchase Price | \$2,346,360 | \$2,016,986 | \$2,541,765 | \$613,246 | \$675,665 | \$1,036,252 | \$1,134,273 | \$2,757,103 | \$3,281,355 | \$2,369,983 | \$3,719,515 | \$2,508,128 | \$1,605,489 | \$4,799,259 | \$1,671,796 |
| PV Cash Purchase Price (\$/kW-DC) | \$2,130 | \$2,546 | \$2,163 | \$3,691 | \$3,525 | \$2,949 | \$3,060 | \$2,697 | \$2,806 | \$2,853 | \$2,733 | \$2,804 | \$2,702 | \$2,654 | \$2,590 |
| Energy Storage System Size (kW-AC) | 0 | 315 | 420 | 0 | 0 | 210 | 210 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kW-DC) | 0 | 510 | 680 | 0 | 0 | 340 | 340 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |
| Energy Storage System Lease (\$/year) | N/A | \$22,467 | \$23,314 | N/A | N/A | \$8,082 | \$9,001 | \$41,218 | \$34,645 | \$33,794 | \$15,492 | \$26,700 | \$31,447 | \$23,051 | \$10,522 |
| Energy Storage System Lease (\$/kW-year) | N/A | \$71.32 | \$55.51 | N/A | N/A | \$38.49 | \$42.86 | \$65.43 | \$82.49 | \$64.37 | \$49.18 | \$63.57 | \$59.90 | \$73.18 | \$50.10 |
| Energy Storage System Purchase Cost (\$) | N/A | \$359,108 | \$454,962 | N/A | N/A | \$263,677 | \$263,677 | \$641,224 | \$454,962 | \$550,048 | \$359,108 | \$454,962 | \$550,048 | \$359,108 | \$263,677 |
| Energy Storage System Purchase Cost (\$/kW) | N/A | \$1,140 | \$1,083 | N/A | N/A | \$1,256 | \$1,256 | \$1,018 | \$1,083 | \$1,048 | \$1,140 | \$1,083 | \$1,048 | \$1,140 | \$1,256 |

Note: Per SPURR Master Contract Effective 9/15/2019

**REAP 2.0 Program - Sample System Description and Pricing Summary
for Project Agreements Executed After 12/31/19**

| | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Waste-water Treatment Plant | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | High School B | High School E | High School F | High School H | High School M | High School R | High School S | District Service Center |
|---|---|---------------------------|---|----------------------------------|----------------------------------|------------------------------|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|
| System Description | Ground Mount Single Axis Tracker | Rooftop and Carport | Ground Mount Single Axis Tracker | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport |
| PV System Size (kW-DC) | 1101.6 | 792.4 | 1175.0 | 166.1 | 191.7 | 351.5 | 370.6 | 1022.4 | 1169.4 | 830.7 | 1361.1 | 894.6 | 594.3 | 1808.4 | 645.4 |
| Single Bay Capacity (kW-DC) | N/A | 115.0 | N/A | 166.1 | 0.0 | 0.0 | 76.7 | 102.2 | 313.1 | 0.0 | 0.0 | 127.8 | 51.1 | 351.5 | 0.0 |
| Double Bay Capacity (kW-DC) | N/A | 466.5 | N/A | 0.0 | 191.7 | 351.5 | 293.9 | 920.2 | 856.3 | 830.7 | 1361.1 | 766.8 | 543.2 | 1456.9 | 645.4 |
| Roof or Ground Mount Capacity (kW-DC) | 1101.6 | 210.9 | 1175.0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| PV First Year Production (kWh/year) | 2,243,959 | 1,303,477 | 2,373,581 | 260,840 | 305,570 | 565,835 | 614,117 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| System Yield (kWh/kW-DC-year) | 2,037 | 1,645 | 2,020 | 1,570 | 1,594 | 1,610 | 1,657 | 1,728 | 1,622 | 1,638 | 1,555 | 1,554 | 1,615 | 1,634 | 1,669 |
| PV PPA Rate - 20 Year 0% Escalation (\$/kWh) | \$0.065 | \$0.097 | \$0.065 | \$0.134 | \$0.132 | \$0.124 | \$0.122 | \$0.105 | \$0.113 | \$0.114 | \$0.115 | \$0.118 | \$0.111 | \$0.106 | \$0.104 |
| PV Cash Purchase Price | \$2,346,360 | \$2,016,986 | \$2,541,765 | \$613,246 | \$675,665 | \$1,036,252 | \$1,134,273 | \$2,757,103 | \$3,281,355 | \$2,369,983 | \$3,719,515 | \$2,508,228 | \$1,605,489 | \$4,799,259 | \$1,671,796 |
| PV Cash Purchase Price (\$/kW-DC) | \$2,130 | \$2,546 | \$2,163 | \$3,691 | \$3,525 | \$2,949 | \$3,060 | \$2,697 | \$2,806 | \$2,853 | \$2,733 | \$2,804 | \$2,702 | \$2,654 | \$2,590 |
| Energy Storage System Size (kW-AC) | 0 | 315 | 420 | 0 | 0 | 210 | 210 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 510 | 680 | 0 | 0 | 340 | 340 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |
| Energy Storage System Lease (\$/year) | N/A | \$22,467 | \$23,314 | N/A | N/A | \$8,082 | \$9,001 | \$41,218 | \$34,645 | \$33,794 | \$15,492 | \$26,700 | \$31,447 | \$23,051 | \$10,522 |
| Energy Storage System Lease (\$/kW-year) | N/A | \$71.32 | \$55.51 | N/A | N/A | \$38.49 | \$42.86 | \$65.43 | \$82.49 | \$64.37 | \$49.18 | \$63.57 | \$59.90 | \$73.18 | \$50.10 |
| Energy Storage System Purchase Cost (\$) | N/A | \$359,108 | \$454,962 | N/A | N/A | \$263,677 | \$269,677 | \$641,224 | \$454,962 | \$550,048 | \$359,108 | \$454,962 | \$550,048 | \$359,108 | \$263,677 |
| Energy Storage System Purchase Cost (\$/kW) | N/A | \$1,140 | \$1,083 | N/A | N/A | \$1,256 | \$1,256 | \$1,018 | \$1,083 | \$1,048 | \$1,140 | \$1,083 | \$1,048 | \$1,140 | \$1,256 |

Note: Per SPURR Master Contract Effective 9/15/2019

Appendix C- Includes, Excludes, Assumptions, and Specifications for Vendor Offer

Vendor Offer is based on a list of Project inclusions, exclusions, assumptions, specifications, utility data, and site maps provided to Vendor in the RFP. Vendor was required to submit system designs, pricing, and terms for Projects at two sample elementary schools, two sample middle schools, a sample RES-BCT ground-mount project, two sample municipal sites, seven Fresno USD high schools, and the Fresno USD District Service Center Vendor Offer includes purchase pricing and Power Purchase Agreement (PPA) pricing for solar projects and solar plus storage projects (where applicable) for:

- Each unique site.
- Portfolio #1: Small sample sites.
- Portfolio #2: All sites (excluding municipal sites and RES-BCT project).
- Portfolio #3: All Fresno USD sites

Below is the detailed list of includes, excludes, specifications, and assumptions underlying Vendor Offer.

A. Includes for Solar PV Power Purchase Agreement (PPA) AND Purchase Project Scenarios:

Vendor Offer includes at minimum the following components and services:

1. Project engineering
 - a. Civil/Structural engineering
 - b. Electrical engineering
 - c. Mechanical Engineering
 - d. Soils reports/engineering
2. Project permitting
 - a. DSA or otherwise applicable AHJ permitting fees
 - b. Utility interconnection process (upgrade costs on the Utility side of the meter should not be included in the Proposal cost)
 - All appropriate safety signage, as required by the Utility
 - Adequately sized and visible disconnect switches at or near each point of common coupling
3. Safety plan
4. Materials
 - a. Modules
 - b. Inverters
 - c. Racking/structures
 - Lighting for shade structures/carports
 - d. Balance of System (BOS)
 - Disconnects/Breakers/Fuses
 - Conduits and conductors
 - Pull boxes and ground vaults
 - Enclosures or cabinets to house non-NEMA rated components
 - e. All other materials required to construct the system to comply with national, state, and local building requirements as well as industry standards.

5. Equipment/material procurement
 - a. Delivery, storage, and staging logistics
 - b. Delivery and handling costs
 - c. Procurement bond or insurance (at the Vendor's discretion)
 - d. Site security
6. Facility construction
 - a. Civil (trenching and backfill, equipment pad preparation, etc.)
 - b. Structural/mechanical
 - c. Electrical
7. Interconnection process
 - a. Generation Interconnection Application
 - b. Initial and supplemental review process management
 - c. System coordination studies (if deemed necessary)
 - d. System protection engineering (Rule 21, UL 1741, etc.)
 - e. Pre-parallel inspection
 - f. Permission to operate (PTO)
8. Facility testing
9. Facility commissioning
 - a. Strings voltage check
 - b. Inverters
 - System check
 - Programming and configuration (i.e. ramp rate, power factor, protection, etc.)
 - c. Racking visual inspection and torque check
 - d. Monitoring, configuration, startup, and training of district personnel
 - e. Switchgear (if required)
10. Facility design documentation package and as-built drawings
 - a. PV Module – quantity, make, model, and spec sheet
 - b. QA/QC documentation
 - c. As built documentation (strings labeled in field and recorded on drawings)
 - d. Inverters – quantity, make, model, and spec sheet
 - e. Racking/shade structure
 - Manufacturer
 - Design drawings
 - Structure finish
 - f. Combiner boxes (if any) – quantity, make, model, and spec sheet
 - g. Switchgear/Subpanel (if upgrades or additions are required) – manufacturer, ratings, general spec.
 - h. AC and DC cable specifications
 - i. As-built DC single line diagram with conductor specification
 - j. As-built AC single line diagram with conductor specification
 - k. As-built array configuration plan
 - l. Balance of system (BOS) layout detail and identification
 - Combiner boxes
 - Inverters

- m. Inverter locations and mounting specifications
- n. Trenching specification (depth, bedding material spec, conduit spec., etc.)
 - As built location for ongoing O&M
- 11. Monitoring equipment/system
 - a. Inverter level performance/production monitoring
 - b. Configurable alarms to allow for notification of underperformance or outages
 - c. Security measures (appropriate fencing, cameras, signage, etc.)
- 12. Operations and maintenance (10 years for purchased systems; 20 years for PPAs)
 - a. Inverter maintenance
 - b. Module cleaning/testing
 - c. Checking of electrical connections/torque
 - d. Racking/structure torque check
 - e. Inverter extended warranty or replacement plan
 - f. Remote monitoring
 - g. Shading mitigation
- 13. Production performance guarantee
 - a. 90% system production guarantee or better.

B. Assumptions for Solar PV PPA AND Purchase Project Scenarios:

- a. Projects will be interconnected as net energy metering (NEM or NEM-A) or RES-BCT projects.
- b. Assume no incentives from utility.
- c. SPURR's fees, as described above, must be included in all proposed pricing.
- d. Prevailing wage rates will apply.
- e. California DSA pre-check design.
- f. All inverters must be UL 1741 certified.
- g. Unless otherwise stated, all systems will interconnect into a 277/480VAC 3-Phase service.
- h. Campus main meters are adequately sized and have available space for connection of PV generation.
- i. For shade structures, concrete support extending up the structure post a minimum of 24".
- j. All non-trenched wiring will be made in accessible crawlspaces, attics, or mounted in secure weather tight conduit on racking structures.
- k. All unpainted metal shall be resistant to corrosion for a minimum of 25 years.
- l. Painted portions of structures will be primed with rust inhibitive primer and then painted with 2 coats of paint or powder coated.
- m. Canopies shall have a minimum clear height of 10 foot at the lowest point of any structure.
- n. Each canopy system and associated components must be designed and selected to withstand the environmental conditions of the site (e.g., temperatures, winds, rain, flooding, etc.) to which they will be exposed. The design life shall be a minimum of 25-years.

- o. Canopies placed in parking lots shall be clearly labeled with max clearance for vehicles at the low points. Label should be easily visible from a vehicle
- p. Canopies must include LED lighting that conform to current lighting standards and codes.
- q. Existing light post bases and bollards will be removed if not being used by Selected Vendor. Lighting will reuse existing circuits where available.
- r. Grounds and landscaping that may have been impacted due to construction will be brought back to original pre-construction conditions.
- s. Selected Vendor shall be responsible for prompt removal and disposal of spoils from all related construction activities.
- t. All costs associated with system upgrades necessary to avoid power quality issues will be the responsibility of the Selected Vendor.
- u. Security measures will be required to limit the potential for theft and vandalism during and after construction of the systems.
- v. Array areas shown on project site maps are representative and not exact panel layouts.
- w. DC-AC de-rate and inverter configuration to be determined by the Vendor to produce the best system value.
- x. Work hours: All pricing should be based on standard work hours of Monday – Friday 6:00 AM to 7:00 PM.

All structures constructed as a part of the project must comply with all applicable permitting, regulatory, and safety agencies, including but not limited to DSA, municipalities, fire departments, utility, etc. All applicable building codes must be strictly adhered to and complied with. Vendors must warrant and maintain the full structural integrity of the PV system.

PV systems built in parking lots or near roadways must not obstruct or hinder school parking or traffic and must allow for appropriate clearance for all vehicles including buses, delivery vehicles, etc.

C. Includes and Assumptions for Solar PV Power Purchase Agreement (PPA) Scenario ONLY:

- a. Term: 20 years
- b. Annual PPA % escalator: 0%
- c. Participant ownership of Renewable Energy Certificates (RECs)
- d. An annual production guarantee, with a reasonable degradation factor that matches the term of the offered PPA, must be included. Participants will not be required to purchase more than 110% of the estimated annual energy production.
- e. PPA must include purchase option(s) after year 6.
- f. Removal of the system and returning the site to its pre-installation condition (normal wear and tear excepted) at the end of the PPA term.

During the PPA ownership period, it will be the responsibility of Vendor to perform all site maintenance, including work required by equipment vendors to maintain warranties, recalibration of equipment, vegetation abatement, panel washing as needed to meet

performance guarantee targets, system monitoring and reporting, and the installation and maintenance of a revenue grade meters for billing purposes. Any damage to the systems resulting from vandalism/theft will be repaired in a timely fashion by Vendor.

D. Includes and Assumptions for Purchase Scenario ONLY:

Proposed purchase pricing includes comprehensive “turnkey” implementation of the proposed PV systems including design, engineering, materials, installation, interconnection, monitoring, and maintenance of solar photovoltaic systems. Proposed pricing should include the following:

- a. 10-year O/M contract
- b. 10-year 95% annual production guarantee less system degradation

E. Excludes for Solar PV PPA AND Purchase Scenarios:

- a. All costs associated with Utility distribution or service upgrades.
- b. Cost of parking area renovations (re-striping, resealing, repaving, traffic flow modifications, etc.)
- c. Removal/disposal of hazardous materials including asbestos.
- d. Habitat mitigation.
- e. Conditional use permits, special use permits, or environmental impact reports
- f. Roof replacement or repair.
- g. Required ADA upgrades.
- h. Structural upgrades to buildings.
- i. Network and/or data services upgrades.
- j. Installation of data wiring for monitoring kiosks or display screens.
- k. 3rd party inspector costs
- l. Tree or other vegetation removal
- m. Performance bond

E. Fresno USD Projects

Fresno Unified School District required a line item cost for each of the following project components and the incremental increase to the PPA rate associated with that line item cost:

- a. Minimum of 15' clearance on low side of all canopy structures in driveway or parking areas.
- b. Tree or other vegetation removal.
- c. Four EV charging stations per site.
- d. Reimburse FUSD for DSA inspector of record costs. Assume budgetary estimate of \$35,000 per site.
- e. Required ADA upgrades.

F. Includes for Energy Storage Projects

Proposals for energy storage projects are required to include at minimum the following items/components:

1. Vendor is responsible for all costs associated with preparing and submitting SGIP applications.
2. Project engineering
 - a. Civil/Structural engineering
 - b. Electrical engineering
 - c. Mechanical engineering
 - d. Soils reports/engineering
3. Project permitting
 - a. Permitting fees
 - b. Utility interconnection process (upgrade costs on the Utility side of the meter should not be included in the Proposal base cost)
 - All appropriate safety signage, as required by the Utility
 - Adequately sized and visible disconnect switches at or near each point of common coupling
4. Safety plan
5. Materials
 - a. Battery or other energy storage technology
 - b. Inverters
 - c. Weatherproof outdoor enclosure/container.
 - d. Balance of System (BOS)
 - Disconnects/Breakers/Fuses
 - Conduits and conductors
 - Pull boxes and ground vaults
 - e. All other materials required to construct the system to comply with national, state, and local building requirements as well as industry standards.
6. Equipment/material procurement
7. Delivery, storage, and staging logistics
8. Site security
9. Facility construction
 - a. Civil (trenching and backfill, equipment pad preparation, etc.)
 - b. Structural/mechanical
 - c. Electrical
10. Interconnection process
 - a. Generation Interconnection Application; must submit to utility within 60 days of execution of Project Agreement.
 - b. Self-Generation Incentive Program (SGIP) application and documentation process
 - c. Initial and supplemental review process management
 - d. System coordination studies (if deemed necessary)
 - e. System protection engineering
 - f. Utility inspection
11. Facility testing
12. Facility commissioning

- a. Inverters
 - b. Monitoring configuration, startup, and training of Participant personnel
 - c. Switchgear (if required)
13. Facility design documentation package and as-built drawings
- a. QA/QC documentation
 - b. As built documentation
 - Inverters – quantity, make, model, and spec sheet
 - Enclosure description and documentation
 - Design drawings
 - Paint/finish
 - c. Switchgear/subpanel (if upgrades or additions are required) – manufacturer, ratings, general spec.
 - d. AC and DC cable specifications
 - e. As-built DC single line diagram with conductor specification
 - f. As-built AC single line diagram with conductor specification
 - g. As-built site plan
 - Balance of system (BOS) layout detail and identification
 - Inverter locations and mounting specifications
 - Trenching specification (depth, bedding material spec, conduit spec., etc.)
14. Monitoring equipment/system
- a. System charge/discharge monitoring
 - b. 15-minute interval (or better) data granularity
15. Security measures
16. Operations and maintenance for the term of the contract

G. Assumptions for Energy Storage Projects

- a. SPURR's fees, as described above, must be included in all proposed pricing.
- b. Assume SGIP funding of \$0.22/Watt-hour. Vendor must provide a clear and detailed explanation of how changes to proposed pricing will be calculated based on increased/decreased SGIP funding.
- c. Prevailing wage rates will apply.
- d. Unless otherwise stated, all systems will interconnect into a 277/480VAC 3-Phase service.
- e. Electric services are adequately sized and have available space to connect energy storage project.
- f. All non-trenched wiring will be made in accessible crawlspaces, attics, or mounted in secure weather tight conduit on racking structures.
- g. Painted portions of structures will be primed with rust inhibitive primer and then painted with 2 coats of paint or powder coated.
- h. All costs associated with system upgrades necessary to avoid power quality issues will be the responsibility of the Selected Vendor.
- i. Security measures will be required to limit the potential for theft and vandalism during and after construction of the systems.

- j. Work hours: All pricing should be based on standard work hours of Monday – Friday 6:00 AM to 7:00 PM.
- k. Removal of the system at the end of the term.

All structures constructed as a part of the project must comply with all applicable permitting, regulatory, and safety agencies, including but not limited to DSA, municipalities, fire departments, utility, etc. All applicable building codes must be strictly adhered to and complied with. Vendors must warrant and maintain the full structural integrity of the system.

During the entire project life it will be the responsibility of the Selected Vendor to perform all site maintenance, including work required by equipment vendors to maintain warranties, recalibration of equipment, system monitoring and reporting, and the installation and maintenance of a revenue grade meters for billing purposes. Any damage to the systems resulting from vandalism/theft will be repaired in a timely fashion by the Selected Vendor.

H. Excludes for Energy Storage Projects

The following items shall not be included in the base pricing offered by Vendors. All base pricing cost adjustments presented to Participants will be subject to SPURR's review and must comply with a cost adjustment formula to be negotiated with Selected Vendor.

- a. All costs associated with Utility distribution or service upgrades.
- b. Removal/disposal of existing hazardous materials including asbestos.
- c. Habitat mitigation.
- d. Conditional use permits, special use permits, or CEQA-related work.
- e. Required ADA upgrades.
- f. Network and/or data services upgrades.
- g. Installation of data wiring for monitoring kiosks or display screens.
- h. 3rd party inspector costs

Vendor is required to include a comprehensive list of additional relevant “excludes” that are not reflected in the Proposal and pricing.

APPENDIX D – AMENDED AND RESTATED REAP PROJECT AGREEMENTS

SPURR Renewable Energy Aggregated Procurement (REAP) Program
Amendment to SPURR REAP Master Contract
September 30, 2021

The Amended and Restated SPURR Renewable Energy Aggregated Procurement (REAP) Program Master Contract, effective September 15, 2019 as amended through the Amendment to SPURR REAP Master Contract, effective September 30, 2020, and further amended through the Amendment to SPURR REAP Master Contract, effective January 20, 2021 (collectively the “2019 SPURR REAP Master Contract”) shall be amended on the following terms and conditions.

- 1) This Amendment will have an effective date of September 30, 2021.
- 2) In the 2019 SPURR REAP Master Contract Section 1, Grant and Acceptance of Award, the Vendor Offer Deadline is extended to June 30, 2022.
- 3) In the 2019 SPURR REAP Master Contract Appendix B, Vendor Offer, current pricing is reduced as follows, applicable to any all REAP Project Agreements executed by a Participant on or after January 1, 2022.

| System Type | All Ground Mount, Roof Mount, and Canopy Sites, except Sites below 450 kW-DC | Sample Sites below 450 kW-DC |
|---|--|------------------------------|
| PV PPA Rate, 20 Yr with 0% Escalator, reduction per kWh | \$0.0010 | \$0.0000 |

- 4) The Appendix B pricing table hereby incorporates the price reductions above.
- 5) The PPA reductions shown above are based on the continued federal Investment Tax Credit for solar power installations (the ITC) at the current level of 26% pursuant to current law. If current law is revised to increase the ITC or other applicable incentives are made available for Projects, then the parties will promptly negotiate in good faith regarding further PPA pricing reductions.
- 6) The template Energy Services Agreements attached as Appendix D to the 2019 SPURR REAP Master Contract are hereby replaced with the template Energy Services Agreements attached hereto which show the changes from the previous templates in redline form.

SPURR Renewable Energy Aggregated Procurement (REAP) Program
Amendment to SPURR REAP Master Contract
September 30, 2021

1. AMENDMENT

As of the Effective Date, this Amendment amends the 2019 SPURR REAP Master Contract .
The terms and conditions of the 2019 SPURR REAP Master Contract shall continue to apply to
any REAP Project Agreement executed prior to the Effective Date.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

SCHOOL PROJECT FOR UTILITY RATE
REDUCTION, a California joint powers
authority

By:  _____

Michael Rochman

Managing Director

Address for Notice:

Attn: Managing Director

1850 Gateway Blvd, Suite 235

Concord, CA 94520

Phone: (925)743-1292

Email: Service@spurr.org

ForeFront Power LLC, a Delaware limited
liability company

By:  _____

Print Name: Michael Smith

Print Title: President

Address for Notice:

Attn: Legal

Address: 100 Montgomery St. Suite 725

City, State, Zip: San Francisco, CA 94104

Phone: (855) 204-5083

Email: FPLegal@forefrontpower.com

**SPURR Renewable Energy Aggregated Procurement (REAP) Program
Amendment to SPURR REAP Master Contract
September 30, 2021**

Appendix B Pricing Table

| | REAP 2.0 Program - Sample System Description and Pricing Summary for Project Agreements Executed After 12/31/2021 | | | | | | | | | | | | | | |
|---|--|---------------------|---|----------------------------------|----------------------------------|------------------------------|------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|
| | 1MW Ground Mount Site (RES-BCT) | Sample City Hall | Sample Waste- water Treatment Plant | Sample Elementary School 1 | Sample Elementary School 2 | Sample Middle School 1 | Sample Middle School 2 | High School B | High School E | High School F | High School H | High School M | High School R | High School S | District Service Center |
| System Description | Ground Mount Single Axis Tracker | Rooftop and Carport | Ground Mount Single Axis Tracker | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport | Carport |
| PV System Size (kW-DC) | 1101.6 | 792.4 | 1175.0 | 166.1 | 191.7 | 351.5 | 370.6 | 1022.4 | 1169.4 | 830.7 | 1361.1 | 894.6 | 594.3 | 1808.4 | 645.4 |
| Single Bay Capacity (kW-DC) | N/A | 115.0 | N/A | 166.1 | 0.0 | 0.0 | 76.7 | 102.2 | 313.1 | 0.0 | 0.0 | 127.8 | 51.1 | 351.5 | 0.0 |
| Double Bay Capacity (kW-DC) | N/A | 466.5 | N/A | 0.0 | 191.7 | 351.5 | 293.9 | 920.2 | 856.3 | 830.7 | 1361.1 | 766.8 | 543.2 | 1456.9 | 645.4 |
| Roof or Ground Mount Capacity (kW-DC) | 1101.6 | 210.9 | 1175.0 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| PV First Year Production (kWh/year) | 2,243,959 | 1,303,477 | 2,373,581 | 260,840 | 305,570 | 565,835 | 614,117 | 1,767,091 | 1,896,718 | 1,360,687 | 2,116,464 | 1,390,208 | 959,746 | 2,954,877 | 1,077,156 |
| System Yield (kWh/kW-DC-year) | 2,037 | 1,645 | 2,020 | 1,570 | 1,594 | 1,610 | 1,657 | 1,728 | 1,622 | 1,638 | 1,555 | 1,554 | 1,615 | 1,634 | 1,669 |
| PV PPA Rate - 20 Year 0% Escalation (\$/kWh) | \$0.063 | \$0.095 | \$0.063 | \$0.134 | \$0.132 | \$0.124 | \$0.122 | \$0.103 | \$0.111 | \$0.112 | \$0.113 | \$0.116 | \$0.109 | \$0.104 | \$0.102 |
| PV Cash Purchase Price | \$2,346,360 | \$2,016,986 | \$2,541,765 | \$613,246 | \$675,665 | \$1,036,252 | \$1,134,273 | \$2,757,103 | \$3,281,355 | \$2,369,983 | \$3,719,515 | \$2,508,228 | \$1,605,489 | \$4,799,259 | \$1,671,796 |
| PV Cash Purchase Price (\$/kW-DC) | \$2,130 | \$2,546 | \$2,163 | \$3,691 | \$3,525 | \$2,949 | \$3,060 | \$2,697 | \$2,806 | \$2,853 | \$2,733 | \$2,804 | \$2,702 | \$2,654 | \$2,590 |
| Energy Storage System Size (kW-AC) | 0 | 315 | 420 | 0 | 0 | 210 | 210 | 630 | 420 | 525 | 315 | 420 | 525 | 315 | 210 |
| Energy Storage System Size (kWh-DC) | 0 | 510 | 680 | 0 | 0 | 340 | 340 | 1020 | 680 | 850 | 510 | 680 | 850 | 510 | 340 |
| Energy Storage System Lease (\$/year) | N/A | \$22,467 | \$23,314 | N/A | N/A | \$8,082 | \$9,001 | \$41,218 | \$34,645 | \$33,794 | \$15,492 | \$26,700 | \$31,447 | \$23,051 | \$10,522 |
| Energy Storage System Lease (\$/kW-year) | N/A | \$71.32 | \$55.51 | N/A | N/A | \$38.49 | \$42.86 | \$65.43 | \$82.49 | \$64.37 | \$49.18 | \$63.57 | \$59.90 | \$73.18 | \$50.10 |
| Energy Storage System Purchase Cost (\$) | N/A | \$359,108 | \$454,962 | N/A | N/A | \$263,677 | \$263,677 | \$641,224 | \$454,962 | \$550,048 | \$359,108 | \$454,962 | \$550,048 | \$359,108 | \$263,677 |
| Energy Storage System Purchase Cost (\$/kW) | N/A | \$1,140 | \$1,083 | N/A | N/A | \$1,256 | \$1,256 | \$1,018 | \$1,083 | \$1,048 | \$1,140 | \$1,083 | \$1,048 | \$1,140 | \$1,256 |
| Note: Per SPURR Master Contract Effective 9/22/2021 | | | | | | | | | | | | | | | |

SPURR Renewable Energy Aggregated Procurement (REAP) Program
Amendment to SPURR REAP Master Contract
September 30, 2021

REAP PROJECT AGREEMENTS

[attached]

SPURR Renewable Energy Aggregated Procurement (REAP) Program
Amendment to SPURR REAP Master Contract

September 7, 2022

The Amended and Restated SPURR Renewable Energy Aggregated Procurement (REAP) Program Master Contract between the School Project for Utility Rate Reduction (SPURR) and ForeFront Power, LLC (FFP), effective September 15, 2019, as amended through the Amendment to SPURR REAP Master Contract, effective September 30, 2020, as further amended through the Amendment to SPURR REAP Master Contract, effective January 20, 2021, as further amended through the Amendment to SPURR REAP Master Contract, effective September 30, 2021, and as further amended through the Amendment to SPURR REAP Master Contract, effective April 30, 2022 (collectively the "2019 SPURR REAP Master Contract") shall be amended on the following terms and conditions.

- 1) This Amendment will have an "Effective Date" of September 7, 2022.
- 2) This Amendment is intended to accommodate numerous public agencies in good faith negotiations seeking to use the 2019 SPURR REAP Master Contract in anticipation of "Net Energy Metering" rule changes currently under consideration by the California Public Utilities Commission.

1. AMENDMENT

In the 2019 SPURR REAP Master Contract Section 1, Grant and Acceptance of Award, the Vendor Offer Deadline hereby is extended to October 26, 2022.

To the extent Forefront Power, LLC or its affiliate enters into a Letter of Intent or similar document ("LOI") with a public agency prior to the Vendor Offer Deadline, the pricing and terms set forth in the 2019 SPURR REAP Master Contract shall continue to apply to any REAP Project Agreement entered into pursuant to the LOI, even if the REAP Project Agreement is executed after the Vendor Offer Deadline.

Copies of any LOI described above shall be delivered by FFP to SPURR not later than five business days after the Vendor Offer Deadline.

Nothing in this Amendment changes the terms and conditions of the 2019 SPURR REAP Master Contract applicable to any REAP Project Agreement executed prior to the Vendor Offer Deadline.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date.

SCHOOL PROJECT FOR UTILITY RATE
REDUCTION, a California joint powers
authority

By: 

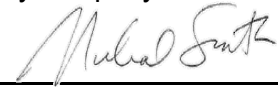
Michael Rochman

Managing Director

Address for Notice:

Attn: Managing Director
1850 Gateway Blvd, Suite 235
Concord, CA 94520
Phone: (925)743-1292
Email: Service@spurr.org

ForeFront Power LLC, a Delaware limited
liability company

By: 

Print Name: Michael Smith

Print Title: Chief Executive Officer

Address for Notice:

Attn: Legal
Address: 100 Montgomery St. Suite 725
City, State, Zip: San Francisco, CA 94104
Phone: (855) 204-5083
Email: FPLegal@forefrontpower.com



CONFIDENTIAL AND PROPRIETARY

GENERAL TERMS AND CONDITIONS OF ENERGY SERVICES AGREEMENT

These General Terms and Conditions of Energy Services Agreement are dated as of the ____ day of _____, 20____ and are witnessed and acknowledged by FFP BTM SOLAR, LLC, a Delaware limited liability company ("ForeFront Power") and Los Angeles County ("Purchaser"), as evidenced by their signature on the last page of this document. These General Terms and Conditions are intended to be incorporated by reference into Energy Services Agreements that may be entered into between ForeFront Power and Purchaser or between their respective Affiliates. These General Terms and Conditions shall have no binding effect upon ForeFront Power or Purchaser, respectively, except to the extent Purchaser or ForeFront Power (or an Affiliate thereof) becomes a party to an Energy Services Agreement that incorporates these General Terms and Conditions.

1. DEFINITIONS.

1.1 In addition to other terms specifically defined elsewhere in this Agreement, where capitalized, the following words and phrases shall be defined as follows:

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person.

"Agreement" means, the Energy Services Agreement.

"Applicable Law" means, with respect to any Person, any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, license, franchise, permit, authorization, guideline, Governmental Approval, consent or requirement of any Governmental Authority having jurisdiction over such Person or its property, enforceable at law or in equity, including the interpretation and administration thereof by such Governmental Authority.

"Assignment" has the meaning set forth in Section 13.1.

"Bankruptcy Event" means with respect to a Party, that either (i) such Party has (A) applied for or consented to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property; (B) admitted in writing its inability, or be generally unable, to pay its debts as such debts become due; (C) made a general assignment for the benefit of its creditors; (D) commenced a voluntary case under any bankruptcy law; (E) filed a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; (F) taken any corporate or other action for the purpose of effecting any of the foregoing; or (ii) has a petition in bankruptcy filed against it, and such petition is not dismissed within ninety (90) days after the filing thereof.

"Business Day" means any day other than Saturday, Sunday or any other day on which banking institutions in New York, NY are required or authorized by Applicable Law to be closed for business.

“Commercial Operation” has the meaning set forth in Section 3.3(b).

“Commercial Operation Date” has the meaning set forth in Section 3.3(b).

“Confidential Information” has the meaning set forth in Section 15.1.

“Covenants, Conditions and Restrictions” or “CCR” means those requirements or limitations related to the Premises as may be set forth in a lease, if applicable, or by any association or other organization, having the authority to impose restrictions.

“Delay Liquidated Damages” means the daily payment of (i) \$0.250/day/kW (DC) of the estimated nameplate capacity of the System (as set forth in Schedule 1 of the Special Conditions).

“Disruption Period” has the meaning set forth in Section 4.3.

“Early Termination Date” means any date on which this Agreement terminates other than by reason of expiration of the then applicable Term.

“Early Termination Fee” means the fee payable by Purchaser to Provider under the circumstances described in Section 2.2, Section 2.3 or Section 11.2.

“Effective Date” has the meaning set forth in the preamble to the Special Conditions.

“Energy Services” has the meaning set forth in the Special Conditions.

“Energy Services Agreement” means each Energy Services Agreement (including the Schedules attached thereto) that may be entered into between ForeFront Power and Purchaser or between their respective Affiliates that incorporates these General Terms and Conditions by reference.

“Energy Services Payment” has the meaning set forth in the Special Conditions.

“Environmental Attributes” shall mean, without limitation, carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags, tradable renewable credits, or Green-e® products.

“Environmental Documents” has the meaning set forth in Section 7.2(f).

“Environmental Law” means any and all federal, state, local, provincial and foreign, civil and criminal laws, statutes, ordinances, orders, common law, codes, rules, regulations, judgments, decrees, injunctions relating to the protection of health and the environment, worker health and safety, and/or governing the handling, use, generation, treatment, storage, transportation, disposal, manufacture, distribution, formulation, packaging, labeling, or release to the environment of or exposure to Hazardous Materials, including any such requirements implemented through Governmental Approvals.

“Estimated Remaining Payments” means as of any date, the estimated remaining Energy Services Payments to be made through the end of the then-applicable Term, as reasonably determined by Provider.

“Expiration Date” means the date on which this Agreement terminates by reason of expiration of the Term.

“Fair Market Value” means, with respect to any tangible asset or service, the price that would be negotiated in an arm’s-length, free market transaction, for cash, between an informed, willing seller and an informed, willing buyer, neither of whom is under compulsion to complete the transaction. Fair Market Value of the System will be determined pursuant to Section 2.4.

“Financing Party” means, as applicable (i) any Person (or its agent) from whom Provider (or an Affiliate of Provider) leases the System, (ii) any Person (or its agent) who has made or will make a loan to or otherwise provides financing to Provider (or an Affiliate of Provider) with respect to the System, or (iii) any Person acquiring a direct or indirect interest in Provider or in Provider’s interest in this Agreement or the System as a tax credit investor.

“Force Majeure Event” has the meaning set forth in Section 10.1.

“ForeFront Power” has the meaning set forth in the Preamble.

“General Terms and Conditions” means these General Terms and Conditions of the Energy Services Agreement, including all Exhibits hereto.

“Guaranteed Commercial Operation Date” has the meaning set forth in Section 5 of the Special Conditions, subject to extension as set forth in Section 2.2(b).

“Guaranteed Construction Start Date” has the meaning set forth in Section 5 of the Special Conditions, subject to extension as set forth in Section 2.2(b).

“Governmental Approval” means any approval, consent, franchise, permit, certificate, resolution, concession, license, or authorization issued by or on behalf of any applicable Governmental Authority, including any such approval, consent, order or binding agreements with or involving a governmental authority under Environmental Laws.

“Governmental Authority” means any federal, state, regional, county, town, city, or municipal government, whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government.

“Hazardous Materials” means any hazardous or toxic material, substance or waste, including petroleum, petroleum hydrocarbons or petroleum products, and any other chemicals, materials, substances or wastes in any amount or concentration which are regulated under or for which liability can be imposed under any Environmental Law.

“Improper Consideration” has the meaning set forth in Section 11.1(a)(iv).

“Initial Term” has the meaning set forth in Section 2 of the Special Conditions.

“Installation Work” means the construction and installation of the System and the start-up, testing and acceptance (but not the operation and maintenance) thereof, all performed by or for Provider (by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed) at the Premises.

“Invoice Date” has the meaning set forth in Section 6.2.

“Liens” has the meaning set forth in Section 7.1(d).

“Local Electric Utility” means the local electric distribution owner and operator providing electric distribution and interconnection services to Purchaser at the Premises.

“Losses” means all losses, liabilities, claims, demands, suits, causes of action, judgments, awards, damages, cleanup and remedial obligations, interest, fines, fees, penalties, costs and expenses (including all attorneys’ fees and other costs and expenses incurred in defending any such claims or other matters or in asserting or enforcing any indemnity obligation).

“Option Price” has the meaning set forth in Section 2.3(i).

“Party” or “Parties” has the meaning set forth in the preamble to the Special Conditions.

“Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, firm, or other entity, or a Governmental Authority.

“Pre-existing Environmental Conditions” means any: (i) violation of, breach of or non-compliance with any Environmental Laws with respect to the Premises that first existed, arose or occurred on or prior to Provider’s commencement of construction at the Premises and (ii) the presence or release of, or exposure to, any Hazardous Materials at, to, on, in, under or from the Premises that first existed, arose or occurred on or prior to Provider’s commencement of construction at the Premises.

“Premises” means the premises described in Schedule 1 of the Special Conditions. The Premises includes the entirety of any structures and underlying real property located at the address in Schedule 1 of the Special Conditions.

“Provider” has the meaning set forth in the Special Conditions.

“Provider Default” has the meaning set forth in Section 11.1(a).

“Provider Indemnified Parties” has the meaning set forth in Section 16.2.

“Purchase Date” means the first Business Day that occurs after the applicable purchase date set forth in Schedule 3 of the Special Conditions.

“Purchaser” has the meaning set forth in the preamble to the Special Conditions.

“Purchaser Default” has the meaning set forth in Section 11.2(a).

“Purchaser Indemnified Parties” has the meaning set forth in Section 16.1.

“Renewal Term” if applicable, has the meaning set forth in Section 2 of the Special Conditions.

“Representative” has the meaning set forth in Section 15.1.

“Security Interest” has the meaning set forth in Section 8.2(a).

“Site-Specific Requirements” means the site-specific information and requirements as may be set forth in Schedule 6 of the Special Conditions.

“Special Conditions” means each Energy Services Agreement, excluding these General Terms and Conditions.

“Stated Rate” means a rate per annum equal to the lesser of (a) the “prime rate” (as reported in The Wall Street Journal) plus two percent (2%) or (b) the maximum rate allowed by Applicable Law.

“System” has the meaning set forth in Schedule 1 of the Special Conditions.

“System-based Incentives” means any accelerated depreciation, installation or production-based incentives, investment tax credits and subsidies including, but not limited to, the subsidies in Schedule 1 of the Special Conditions and all other related subsidies and incentives.

“System Operations” means Provider’s operation, maintenance and repair of the System performed by Provider or for Provider (by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed) in accordance with the requirements herein.

“Term” means the Initial Term, and the subsequent Renewal Term(s), if any.

“Term Year” means a twelve (12) month period beginning on the first day of the Term and each successive twelve (12) month period thereafter.

“Termination Date” means the date on which this Agreement ceases to be effective, including on an Early Termination Date or the Expiration Date.

“WREGIS” means the Western Renewable Energy Generation Information System.

1.2 Interpretation. The captions or headings in these General Terms and Conditions are strictly for convenience and shall not be considered in interpreting this Agreement. Words in this Agreement that impart the singular connotation shall be interpreted as plural, and words that impart the plural connotation shall be interpreted as singular, as the identity of the parties or objects referred to may require. The words “include”, “includes”, and “including” mean include, includes, and including “without limitation” and “without limitation by specification.” The words “hereof”, “herein”, and “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular provision of this Agreement. Except as the context otherwise indicates, all references to “Articles” and “Sections” refer to Articles and Sections of these General Terms and Conditions.

2. TERM AND TERMINATION.

2.1 Term. The Initial Term is as specified in the Special Conditions.

2.2 Early Termination.

(a) Termination for Convenience. Purchaser may terminate this Agreement, when such action is deemed by the Purchaser, in its sole discretion, to be in its best interest. Termination of this Agreement shall be effected by sixty (60) days’ prior written notice of termination to Provider. If Purchaser terminates the Agreement prior to the Expiration Date of the Initial Term, Purchaser shall pay, as liquidated damages, the Early Termination Fee set forth on Schedule 3, Column 1 of the Special Conditions, and Provider shall cause the System to be disconnected and removed from the Premises in accordance with Section 2.4. Upon Purchaser’s payment to Provider of the Early Termination Fee, this Agreement shall terminate automatically. Upon receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall immediately:

All material including books, records, documents, or other evidence bearing on the costs and expenses of the Provider under this Agreement shall be maintained by the Provider in accordance with Los Angeles County’s Record Retention and Inspection/Audit Settlement policies.

(b) Purchaser may (i) if Provider fails to commence construction by the Guaranteed Construction Start Date, be entitled (as its sole remedy) to Delay Liquidated Damages not to exceed \$22.5/kW (DC) of the estimated nameplate capacity of the System (as set forth in Schedule 1 of the Special Conditions), (ii) terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee, if Provider fails to commence construction of the System by the date that is ninety (90) days after the Guaranteed Construction Start Date, or (iii) if Provider fails to achieve Commercial Operation by the Guaranteed Commercial Operation Date, be entitled (as its sole remedy) to Delay Liquidated Damages not to exceed \$15/kW (DC) of the estimated nameplate capacity of the System (as set forth in Schedule 1 of the Special Conditions), plus (if Installation Work had commenced at the Premises as of the date of termination) any costs reasonably incurred by Purchaser to return its Premises to its condition prior to commencement of the Installation Work. Further, Purchaser may terminate this Agreement with no liability whatsoever, including, but not limited to the Early Termination Fee, if Provider fails to commence Commercial Operation by the date that is sixty (60) days after the Guaranteed Commercial Operation Date. The Guaranteed Construction Start Date and Guaranteed Commercial Operation Date shall be extended on a day-for-day basis if any of the following occurs: (x) notwithstanding Provider’s commercially reasonable efforts, interconnection approval is not obtained within sixty (60) days after the Effective Date, provided that interconnection applications are submitted within 45 days of the later of (a) the Effective Date and (b) finalization of the System layout, (y) a Force Majeure Event occurs or for any delays by the Local Electric Utility or (z) an occurrence of any other unforeseeable event outside of Provider’s reasonable control, provided that Provider makes reasonable efforts to mitigate the impact of such events on the Guaranteed Construction Start Date or Guaranteed Commercial Operation Date (as applicable). Any such extension pursuant to subsection (z) shall be subject to the approval of Purchaser which shall not be unreasonably withheld, conditioned or delayed.

2.3 Purchase Option.

(i) On any Purchase Date, so long as a Purchaser Default shall not have occurred and be continuing, Purchaser has the option to purchase the System for a purchase price (the “Option Price”) equal to the greater of (a) the Fair Market Value of the System as of the Purchase Date, or (b) the Early Termination Fee as of the Purchase Date, as specified in Schedule 3, Column 2 of the Special Conditions. To exercise its purchase option, Purchaser shall, not less than one hundred and eighty (180) days prior to the proposed Purchase Date, provide written notice to Provider of Purchaser’s intent to exercise its option to purchase the System on such Purchase Date. Within thirty (30) days of receipt of Purchaser’s notice, Provider shall specify the Option Price, and provide all calculations and assumptions supporting said Option Price to Purchaser. Purchaser shall then have a period of thirty (30) days after notification to confirm or retract its decision to exercise the purchase option or, if the Option Price is equal to the Fair Market Value of the System, to dispute the determination of the Fair Market Value of the System. In the event Purchaser confirms its exercise of the purchase option in writing to Provider (whether before or after any determination of the Fair Market Value determined pursuant to Section 2.3(ii)), (i) the Parties shall promptly execute all documents necessary to (A) cause title to the System to pass to Purchaser on the Purchase Date, free and clear of any Liens, and (B) assign all vendor warranties for the System to Purchaser, and (ii) Purchaser shall pay the Option Price to Provider on the Purchase Date, such payment to be made in accordance with any previous written instructions delivered to Purchaser by Provider or Provider’s Financing Party, as applicable, for payments under this Agreement. Upon execution of the documents and payment of the Option Price, in each case as described in the preceding sentence, this Agreement shall terminate automatically. Payment of the Option Price shall be in lieu of and instead of any payments as described in Section 2.2 hereof. In the event Purchaser retracts its exercise of, or does not timely confirm, the purchase option, the provisions of this Agreement shall be applicable as if Purchaser had not exercised any option to purchase the System.

(ii) Determination of Fair Market Value. If the Option Price indicated by Provider in accordance with Section 2.3(i) is equal to the Fair Market Value (as determined and demonstrated by supporting documentation provided by Provider) and Purchaser disputes such stated Fair Market Value within thirty (30) days of receipt of such notice from Provider, then the Parties shall mutually select an independent appraiser with experience and expertise in the Energy Services industry. Such appraiser shall have expertise and experience in valuing photovoltaic systems, resale markets for such systems and related environmental attributes, and shall act reasonably and in good faith to determine Fair Market Value and shall set forth such determination in a written opinion delivered to the Parties. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error; however, if Purchaser in good faith disputes the valuation made by the appraiser, Purchaser shall have the right to retract its decision to exercise the Purchase Option. The costs of the appraisal shall be borne by Purchaser if such appraisal results in a value equal or greater than the value provided by Provider pursuant to Section 2.3(i); otherwise, the Parties shall equally share such cost.

2.4 Removal of System at Expiration. Subject to Purchaser’s exercise of its purchase option under Section 2.3, upon the expiration or earlier termination of this Agreement, Provider shall, at Provider’s expense, remove all of its tangible property comprising the System from the Premises on a mutually convenient date but in no case later than ninety (90) days after the Termination Date. The Premises shall be returned to its original condition, except for System mounting pads or other support structures on roof-mounted systems only, and ordinary wear and tear. If the System is to be located on a roof, then in no case shall Provider’s removal of the System affect the integrity of Purchaser’s roof, which shall be as leak proof as it was prior to removal of System (other than ordinary wear and tear). For purposes of Provider’s removal of the System, Purchaser’s covenants pursuant to Section 7.2 shall remain in effect until the date of actual removal of the System. Provider shall leave the Premises in neat and clean order. If Provider fails to remove or commence substantial efforts to remove the System by such agreed upon date, Purchaser shall have the right, at its option, to remove the System to a public warehouse and restore the Premises to its original condition (other than System mounting pads or other support structures and ordinary wear and tear) at Provider’s reasonable cost.

2.5 Conditions Prior to the Commercial Operation Date.

(a) In the event that any of the following events or circumstances occur prior to the Commercial Operation Date, Provider may (at its sole discretion) provide notice that it is terminating this Agreement, in which case neither Party shall have any liability to the other except for any such liabilities that may have accrued prior to such termination, including but not limited to Provider’s restoration of the Premises in accordance with Section 2.4:

(i) Provider determines that the Premises, as is, is insufficient to accommodate the System or unsuitable for construction or operation of the System.

(ii) There exist site conditions (including environmental conditions) or construction requirements that were not known as of the Effective Date and that could reasonably be expected to materially increase the cost of Installation Work or would adversely affect the electricity production from the System as designed.

(iii) There is a material adverse change in the regulatory environment, incentive program or federal or state tax code (including the expiration of any incentive program or tax incentives in effect as of the Effective Date) that could reasonably be expected to adversely affect the economics of the installation for Provider and its investors.

(iv) Provider is unable to obtain financing for the System on terms and conditions satisfactory to it.

(v) Provider has not received: (1) a fully executed license in the form of Exhibit A of these General Conditions from the owner of the Premises (if the Purchaser is a tenant), (2) a release or acknowledgement from any mortgagee of the Premise, if required by Provider's Financing Party, to establish the priority of its security interest in the System, and (3) such other documentation as may be reasonably requested by Provider to evidence Purchaser's ability to meet its obligations under Section 7.2(d)(ii) to ensure that Provider will have access to the Premises throughout the Term.

(vi) There has been a material adverse change in the rights of Purchaser to occupy the Premises or Provider to construct the System on the Premises.

(vii) Purchaser has determined that there are easements, CCRs or other land use restrictions, liens or encumbrances that would materially impair or prevent the installation, operation, maintenance or removal of the System.

(ix) There has been a material adverse change in Purchaser's credit-worthiness.

(b) If any of the conditions set forth in Section 2.5(a) are partly or wholly unsatisfied, and Provider wishes to revise the information in the Special Conditions, then Provider may propose modifications to the Special Conditions for acceptance by Purchaser. If Purchaser does not accept such modified Special Conditions, Provider may terminate this Agreement as provided in Section 2.5(a) and shall restore the Premises in accordance with Section 2.4. If Purchaser accepts such revised Special Conditions, such revised Special Conditions shall be deemed an amendment of this Agreement, and this Agreement shall remain in force and effect upon execution by both Parties.

2.6 Co-Located Systems. With respect to any Systems that are co-located at the same Premises and connected to the same meter, the Parties acknowledge that the Systems are intended to be owned and operated as one integrated system, and that the Energy Services Payment (a) represents the added value of integrating the Systems to enable Provider's delivery of the Energy Services pursuant to the Agreements when needed by Purchaser, and (b) is a component part of the total consideration payable to Provider in exchange for Provider's comprehensive duties under this Agreement and the Agreement(s) related to the other co-located System(s). Accordingly, the Parties further agree (x) to treat the Systems as one integrated system for all purposes, and (y) that any right or option that is exercised with respect to the System or this Agreement, whether in respect of early termination, purchase option or otherwise, shall also be exercised with respect to the Agreement(s) related to the other co-located System(s).

3. CONSTRUCTION, INSTALLATION AND TESTING OF SYSTEM.

3.1 Installation Work. Provider will cause the System (by using one or more qualified contractors holding the appropriate licenses required in the jurisdiction where the System will be installed) to be designed, engineered, installed and constructed substantially in accordance with Schedule 1 of the Special Conditions and Applicable Law. At its request, Purchaser shall have the right to review all construction plans and designs, including engineering evaluations of the impact of the System. Provider shall perform the Installation Work at the Premises between the hours of 7:00 a.m. and 7:00 p.m. in a manner that minimizes inconvenience to and interference with the use of the Premises to the extent commercially practical.

3.2 Approvals; Permits. Purchaser shall assist Provider in obtaining all necessary consents, approvals and permits required to perform Purchaser's obligations under this Agreement, including but not limited to those related to the Local Electric Utility, any Governmental Approval, and any consents, waivers, approvals or releases required pursuant to any applicable contract or CCR.

3.3 System Acceptance Testing.

(a) Provider shall conduct testing of the System in accordance with such methods, acts, guidelines, standards and criteria reasonably accepted or followed by providers of Energy Services similar to those provided by the System in the United States. Provider shall provide Purchaser with reasonable advanced notice of such testing and shall permit Purchaser or Purchaser's representative to observe such testing. Purchaser's observation of such testing shall not be construed as or deemed an approval of such testing or test results.

(b) If the results of such testing indicate that the System is capable of providing the Energy Services, using such instruments and meters as have been installed for such purposes, and the System has been approved for interconnected operation by the Local Electric Utility ("Commercial Operation"), then Provider shall send a written notice to Purchaser to that effect, and the date of such notice shall be the "Commercial Operation Date".

4. SYSTEM OPERATIONS.

4.1 Provider as Owner and Operator. The System will be owned by Provider or Provider's Financing Party and will be operated and maintained and, as necessary, repaired by Provider at its sole cost and expense; *provided*, any repair or maintenance costs incurred by Provider as a result of Purchaser's negligence or breach of its obligations hereunder shall be reimbursed by Purchaser.

4.2 Metering. Provider shall install and maintain a utility grade kilowatt-hour (kWh) meter for the measurement of electrical energy provided by the System and may, at its election, install a utility grade kilowatt-hour (kWh) meter for the measurement of electrical energy delivered by the Local Electric Utility and consumed at the Premises. Such meter(s) shall meet the general commercial standards of the solar photovoltaic industry or the required standards of the Local Electric Utility.

4.2.1 Meter Testing.

(a) Provider shall provide certificates of calibration for all meters prior to the time of their installation, no meter will be placed in service for which Provider has not provided certificates of calibration. Provider shall test or arrange for all meters to be tested in accordance with the meter manufacturer's recommendations. Provider shall bear all costs and expenses associated with each meter testing. Purchaser shall be notified at least ten (10) days in advance of such testing and shall have the right to be present during such tests. Provider shall provide Purchaser with detailed written results of all meter tests.

(b) Provider shall test or arrange for meter inspection and testing bi-annually when performing System operations and maintenance.

4.2.2 Cost of Meter Repair.

(a) If meter testing, as described above demonstrates that a meter was operating outside of its allowable calibrations (+/- 2%), then Provider will pay for the cost of repairs or replacement necessary to restore a meter to proper working order.

(b) If a meter is found to be inaccurate by more than two percent (2%), invoices for the prior six (6) months or from the last date such meter was registering accurately, whichever period is less, shall be adjusted to reconcile the discrepancy and payment for the amount of the adjustment issued by the appropriate party within 45 days, except that Purchaser shall not be obligated to pay interest on any amount found to be due because a meter was operating outside of its allowable calibration (+/- 2%).

4.2.3 Meter Data. Provider shall gather and maintain the data from all meters, including but not limited to, interval data registered at least once every fifteen (15) minutes ("Meter Data"), and shall make such Meter Data promptly available to Purchaser at Purchaser's request.

4.3 System Disruptions. In the event that (a) the owner or lessee of the Premises repairs the Premises for any reason not directly related to damage caused by the System, and such repair requires the partial or complete temporary disassembly or movement of the System, or (b) any act or omission of Purchaser or Purchaser's employees, Affiliates, agents or subcontractors (collectively, a "Purchaser Act") results in a disruption or outage in System production, then, in either case, Purchaser shall (i) pay Provider for all work required by Provider to disassemble or move the System and (ii) continue to make all payments for the Energy Services during such period of System disruption (the "Disruption Period"), and (iii) reimburse Provider for any other lost revenue during the Disruption Period, including any lost revenue associated with any reduced sales of Environmental Attributes and any reduced System-based Incentives, if applicable, during the Disruption Period. For the purpose of calculating Energy Services Payments and lost revenue for such Disruption Period, Energy Services for each month of said months shall be deemed to have been produced at the average rate over the same month for which data exists (or, if the disruption occurs within the first twelve (12) months of operation, the average over such period of operation). Notwithstanding the foregoing, Purchaser shall be entitled to exercise its rights under Section 9 (Allowed Disruption Time) of the Special Conditions.

5. TITLE TO SYSTEM.

5.1 Throughout the duration of this Agreement, Provider or Provider's Financing Party shall be the legal and beneficial owner of the System at all times, and the System shall remain the personal property of Provider or Provider's Financing Party and shall not attach to or be deemed a part of, or fixture to, the Premises. The System shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code. Purchaser covenants that it will use reasonable commercial efforts to place all parties having an interest in or lien upon the real property comprising the Premises on notice of the ownership of the System and the legal status or classification of the System as personal property. If there is any mortgage or fixture filing against the Premises which could reasonably be construed as attaching to the System as a fixture of the Premises, Purchaser shall provide, at Provider's request, a disclaimer or release from such lien holder. If Purchaser is the fee owner of the Premises, Purchaser consents to the filing by Provider, on behalf of Purchaser, of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction of the Premises. If Purchaser is not the fee owner, Purchaser will, at Provider's request, use commercially reasonable efforts to obtain such consent from such owner.

5.2 Environmental Attributes And System-Based Incentives. Purchaser's purchase of Energy Services includes Environmental Attributes, but does not include System-based incentives. System-based Incentives shall be owned by Provider or Provider's financing party for the duration of the System's operating life. Purchaser disclaims any right to System-based Incentives based upon the installation of the System at the Premises, and shall, at the request of Provider, execute any document or agreement reasonably necessary to fulfill the intent of this Section 5.2. During the Term, Provider shall establish and maintain a WREGIS sub-account to register and track renewable energy certificates (RECs) associated with generation produced by the System. Unless Purchaser prefers a different sub-account designation, RECs transferred into the WREGIS sub-account will be tagged by Provider as retired on behalf of Purchaser. Provider will provide Purchaser read-only access to the WREGIS sub-account and provide an annual report to Purchaser on the status of the RECs. Purchaser understands that if RECs are retired they cannot be used for any other purpose or 'un-retired'.

6. PRICE AND PAYMENT.

6.1 Consideration. Purchaser shall pay to Provider a monthly Energy Services Payment for the Energy Services provided during each calendar month of the Term as set forth in the Special Conditions.

6.2 Invoice. Provider shall invoice Purchaser on or about the first day of each month (each, an "Invoice Date"), commencing on the first Invoice Date to occur after the Commercial Operation Date, for the Energy Services Payment in respect of the immediately preceding month. The last invoice shall include Energy Services provided only through the Termination Date of this Agreement. Invoices shall state, at a minimum, (i) the amount of actual electricity produced by the System and delivered to the delivery point during the invoice period (if applicable), (ii) the rates

applicable to, and any charges incurred by, Purchaser under this Agreement, and (iii) the total amount due from Purchaser.

6.3 Time of Payment. Purchaser shall pay all undisputed amounts due hereunder within thirty (30) days after Purchaser's receipt of an invoice from Provider.

6.4 Method of Payment. Purchaser shall make all payments under this Agreement either (a) by electronic funds transfer in immediately available funds to the account designated by Provider from time to time or (b) by check timely delivered to the location designated by Provider from time to time. All payments that are not paid when due shall bear interest accruing from the date becoming past due until paid in full at a rate equal to the Stated Rate.

6.5 Disputed Payments. If a *bona fide* dispute arises with respect to any invoice, Purchaser shall not be deemed in default under this Agreement and the Parties shall not suspend the performance of their respective obligations hereunder, including payment of undisputed amounts owed hereunder. If an amount disputed by Purchaser is subsequently deemed to have been due pursuant to the applicable invoice, interest shall accrue at the Stated Rate on such amount from the date becoming past due under such invoice until the date paid.

7. GENERAL COVENANTS.

7.1 Provider's Covenants. Provider covenants and agrees to the following:

(a) Notice of Damage or Emergency. Provider shall (x) promptly notify Purchaser if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System, (y) immediately notify Purchaser if it becomes aware of any event or circumstance relating to the System or the Premises that poses a significant risk to human health, the environment, the System or the Premises. In the event of unreasonable damage to the Premises caused by, or as the result of, the System, Provider shall, at its sole cost, repair said Premises to the condition existing prior to such damage.

(b) Governmental Approvals. While providing the Installation Work, Energy Services, and System Operations, Provider shall obtain and maintain and secure all Governmental Approvals required to be obtained and maintained and secured by Provider and to enable Provider to perform such obligations.

(c) Health and Safety. Provider shall take all necessary and reasonable safety precautions with respect to providing the Installation Work, Energy Services, and System Operations that shall comply with all Applicable Laws pertaining to the health and safety of persons and real and personal property. All work shall be performed by licensed professionals, as may be required by Applicable Law, and in accordance with such methods, acts, guidelines, standards and criteria reasonably accepted or followed by a majority of System integrators in the United States.

(d) Liens. Other than a Financing Party's security interest in or ownership of the System, Provider shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics', labor or materialman's lien), charge, security interest, encumbrance or claim of any nature ("Liens") on or with respect to the Premises or any interest therein, in each case to the extent such Lien arises from or is related to Provider's performance or non-performance of its obligations hereunder. If Provider breaches its obligations under this Section, it shall (i) immediately notify Purchaser in writing, (ii) promptly cause such Lien to be discharged and released of record without cost to Purchaser, and (iii) defend and indemnify Purchaser against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien; *provided*, Provider shall have the right to contest any such Lien, so long as it provides a statutory bond or other reasonable assurances of payment that either remove such Lien from title to the Premises or that assure that any adverse judgment with respect to such Lien will be paid without affecting title to the Premises.

(e) System Condition. Provider shall take all actions reasonably necessary, including but not limited to repair and maintenance, to ensure that the System is capable of operating at a commercially reasonable continuous rate throughout the Term.

(f) Environmental Indemnification by Provider. Provider shall indemnify, hold harmless and defend Purchaser Indemnified Parties from and against all claims, pay costs and expenses, and conduct all actions required under Environmental Laws in connection with the deposit, release, or spill of any Hazardous Materials at, on, above, below or near the Premises by Provider. In no event shall Provider be responsible for the existence of any Hazardous Materials at the Premises prior to the Effective Date. Provider shall promptly notify Purchaser if it becomes aware of any Hazardous Materials, or any deposit, spill, or release of any Hazardous Materials at, on, above, below or near the Premises.

(g) Production Data. Provider shall provide Purchaser with access to System production data in electronic format, such as tabular Excel or csv with each production unit in a separate cell. Production data could be delivered monthly or by granting Purchaser access to a web portal.

(h) Solicitation of Improper Consideration. Provider shall immediately report any attempt by a Purchaser officer or employee to solicit Improper Consideration. The report shall be made either to the Purchaser manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

7.2 Purchaser's Covenants. Purchaser covenants and agrees as follows:

(a) Notice of Damage or Emergency. Purchaser shall (i) promptly notify Provider if it becomes aware of any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System, (ii) immediately notify Provider it becomes aware of any event or circumstance that poses an imminent risk to human health, the environment, the System or the Premises. In the event of damage to Purchaser's premises caused by, or as the result of, the System, Provider shall, at its sole cost, repair said premises to the condition existing prior to such damage.

(b) Liens. Purchaser shall not directly or indirectly cause, create, incur, assume or suffer to exist any Liens on or with respect to the System or any interest therein. If Purchaser breaches its obligations under this Section, it shall immediately notify Provider in writing, shall promptly cause such Lien to be discharged and released of record without cost to Provider, and shall indemnify Provider against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien.

(c) Consents and Approvals. To the extent that only Purchaser is authorized to request, obtain or issue any necessary approvals, Governmental Approvals, rebates or other financial incentives, Purchaser shall cooperate with Provider to obtain or issue such approvals, Governmental Approvals, rebates or other financial incentives in the name of Provider. Purchaser shall provide to Provider copies of all Governmental Approvals and CCRs applicable to the Premises, other than those obtained by Provider or to which Provider is a party.

(d) Access to Premises, Grant of License.

(i) Purchaser hereby grants to Provider a revocable non-exclusive license coterminous with the Term containing all the rights necessary for Provider to use and occupy portions of the Premises for the installation, operation, maintenance and removal of the System pursuant to the terms of this Agreement, including ingress and egress rights to the Premises for Provider and its employees, contractors and subcontractors and access to electrical panels and conduits to interconnect or disconnect the System with the Premises' electrical wiring; *provided*, with respect to Provider's access to the Site, such license shall be subject to conditions or limitations for the protection of minor students that are imposed generally on commercial contractors by Purchaser or by Applicable Law. If Provider's financing structure requires that Purchaser enter into a license agreement directly with Financing Party, Provider shall enter into such an agreement which shall be in a form set forth by Provider and which contain substantially the same rights as set forth in this Section 7.2(d).

(ii) Regardless of whether Purchaser is owner of the Premises or leases the Premises from a landlord, Purchaser hereby covenants that (x) Provider shall have access to the Premises and System during the Term of this Agreement and for so long as needed after termination to remove the System pursuant to the applicable provisions herein, and (y) neither Purchaser nor Purchaser's landlord will interfere or handle any Provider equipment or the

System without written authorization from Provider; *provided*, Purchaser and Purchaser's landlord shall at all times have access to and the right to observe the Installation Work or System removal.

(iii) If Purchaser is a lessee of the Premises, Purchaser further covenants that it shall deliver to Provider, a license from Purchaser's landlord in substantially the form attached hereto as Exhibit A of these General Conditions.

(e) Temporary storage space during installation or removal. Purchaser shall use commercially reasonable efforts to provide for sufficient space at the Premises for the temporary storage and staging of tools, materials and equipment and for the parking of construction crew vehicles and temporary construction trailers and facilities reasonably necessary during the Installation Work, System Operations or System removal, and access for rigging and material handling. Subject to Purchaser's indemnity obligations set forth herein, Purchaser shall have no liability whatsoever in connection with personal property or equipment of Provider or Provider's employees, consultants, contractors, subcontractors, and vendors. Provider shall be solely responsible for the safety and security of Provider's employees, consultants, contractors, subcontractors, and vendors, as well as any personal property, including but not limited to, any tools, materials, and equipment of such parties used or stored on the Premises.

(f) Environmental Documents. On or before the Effective Date of each Special Conditions Purchaser shall identify and set forth in each Special Conditions and unless previously delivered, Purchaser shall, to the extent the same are known and in the possession or control of Purchaser, deliver to Provider copies of all reports, agreements, plans, inspections, tests, studies or other materials concerning the presence of Hazardous Materials at, from or on the Premises including, but not limited to, soil reports, design drawings, environmental reports, sampling results or other documents relating to Hazardous Materials that have been identified or may be present on, in or under the Premises (collectively, the "Environmental Documents"). Thereafter, Purchaser agrees to provide copies of any new Environmental Documents within ten (10) days of receipt of same. Purchaser hereby agrees to furnish such other documents in Purchaser's possession or control with respect to Governmental Approvals compliance with Environmental Law or Hazardous Materials with respect to the Premises as may be reasonably requested by Provider from time to time.

(g) Compliance with Environmental Laws. Notwithstanding anything to the contrary in this Agreement, Purchaser shall operate and maintain the Premises to comply with the requirements of all applicable Environmental Laws that limit or govern the conditions or uses of the Premises, without impairing or interfering with Provider's construction, operation and ownership of the System or occupancy of the Premises. In no event shall Provider have any liability or obligation with respect to any Pre-existing Environmental Condition on, in or under the Premises, or operations or maintenance of the Premises required to comply with Environmental Laws with respect to Pre-Existing Environmental Conditions.

(h) Environmental Indemnification by Purchaser. Purchaser shall indemnify, hold harmless and defend Provider from and against all claims, pay costs and expenses, and conduct all actions required under Environmental Laws in connection with (i) the existence at, on, above, below or near the Premises of any Pre-existing Environmental Conditions, and (ii) any Hazardous Materials released, spilled or deposited at, on above or below the Premises by the Purchaser. Purchaser shall promptly notify Provider if it becomes aware of any Hazardous Materials, or any deposit, spill, or release of any Hazardous Materials at, on, above, below or near the Premises.

8. REPRESENTATIONS & WARRANTIES.

8.1 Representations and Warranties of Both Parties. In addition to any other representations and warranties contained in this Agreement, each Party represents and warrants to the other as of the Effective Date that:

- (a) it is duly organized and validly existing and in good standing in the jurisdiction of its organization;
- (b) it has the full right and authority to enter into, execute, deliver, and perform its obligations under this Agreement;
- (c) it has taken all requisite corporate or other action to approve the execution, delivery, and performance of the Agreement;

(d) this Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms, except as may be limited by applicable bankruptcy and other similar laws now or hereafter in effect;

(e) there is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened before any court or other Governmental Authority by, against, affecting or involving any of its business or assets that could reasonably be expected to adversely affect its ability to carry out the transactions contemplated herein;

(f) its execution and performance of this Agreement and the transactions contemplated hereby do not and will not constitute a breach of any term or provision of, or a default under, (i) any contract, agreement or Governmental Approval to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents, or (iii) any Applicable Laws; and

(g) its execution and performance of this Agreement and the transactions contemplated hereby do not and will not require any consent from a third party, including any Governmental Approvals from any Governmental Authority, that are not identified in the Special Conditions.

8.2 Representations of Purchaser. Purchaser represents and warrants to Provider as of the Effective Date that:

(a) Purchaser acknowledges that it has been advised that part of the collateral securing the financial arrangements for the System may be the granting of a first priority perfected security interest (the "Security Interest") in the System to a Financing Party;

(b) To Purchaser's knowledge, the granting of the Security Interest will not violate any term or condition of any covenant, restriction, lien, financing agreement, or security agreement affecting the Premises;

(c) Purchaser is aware of no existing lease, mortgage, security interest or other interest in or lien upon the Premises that could attach to the System as an interest adverse to Provider's Financing Party's Security Interest therein;

(d) To Purchaser's knowledge, there exists no event or condition which constitutes a default, or would, with the giving of notice or lapse of time, constitute a default under this Agreement;

(e) To Purchaser's knowledge, Purchaser has identified and disclosed to Provider in the Special Conditions (i) all Environmental Documents in Purchaser's possession or control, (ii) all CCRs, Governmental Approvals or other restrictions imposed under Applicable Laws with respect to the use of the Premises that could affect the construction and operation of the System within Purchaser's possession or control, and (iii) all environmental reports, studies, data or other information relating to the use of the Premises by Provider within the Purchaser's possession or control;

(f) To Purchaser's knowledge, the Premises is in compliance with Environmental Laws, and that Purchaser holds and is in compliance with all Governmental Approvals required for the ownership and any current operations or activities conducted at the Premises; and

(g) Purchaser has identified in the Special Conditions and delivered to Provider all material reports and information concerning the presence or release of Hazardous Materials on, in or under the Premises in Purchaser's possession or control.

Any Financing Party shall be an intended third-party beneficiary of this Section 8.2.

8.3 EXCLUSION OF WARRANTIES. EXCEPT TO THE EXTENT OTHERWISE EXPRESSLY SET FORTH HEREIN, THE INSTALLATION WORK, SYSTEM OPERATIONS, AND ENERGY SERVICES PROVIDED BY PROVIDER TO PURCHASER PURSUANT TO THIS AGREEMENT SHALL BE "AS-IS WHERE-IS." NO OTHER WARRANTY TO PURCHASER OR ANY OTHER PERSON, WHETHER EXPRESS,

IMPLIED OR STATUTORY, IS MADE AS TO THE INSTALLATION, DESIGN, DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS, USEFUL LIFE, FUTURE ECONOMIC VIABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE SYSTEM, THE ENERGY SERVICES OR ANY OTHER SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY PROVIDER.

9. TAXES AND GOVERNMENTAL FEES.

9.1 Purchaser Obligations. Purchaser shall reimburse and pay for any documented taxes, fees or charges imposed or authorized by any Governmental Authority and paid by Provider due to Provider's sale of the Energy Services to Purchaser (other than income taxes imposed upon Provider). Provider shall notify Purchaser in writing with a detailed statement of such amounts, which shall be invoiced by Provider and payable by Purchaser. Purchaser shall timely report, make filings for, and pay any and all sales, use, income, gross receipts or other taxes, and any and all franchise fees or similar fees assessed against it due to its purchase of the Energy Services. This Section 9.1 excludes taxes specified in Section 9.2.

9.2 Provider Obligations. Subject to Section 9.1 above, Provider shall be responsible for all income, gross receipts, ad valorem, personal property or real property or other similar taxes and any and all franchise fees or similar fees assessed against it due to its ownership of the System.

10. FORCE MAJEURE.

10.1 Definition. "Force Majeure Event" means any act or event that prevents the affected Party from performing its obligations in accordance with this Agreement, if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party had been unable to overcome such act or event with the exercise of due diligence (including the expenditure of reasonable sums). Subject to the foregoing conditions, "Force Majeure Event" shall include without limitation the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning, volcanic eruptions and earthquakes; (ii) explosions or fires arising from lightning or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts, or rebellion; (iv) strikes or labor disputes (except strikes or labor disputes caused solely by employees of Provider or as a result of such party's failure to comply with a collective bargaining agreement); and (v) action or inaction by a Governmental Authority (unless Purchaser is a Governmental Authority and Purchaser is the Party whose performance is affected by such action nor inaction). A Force Majeure Event shall not be based on the economic hardship of either Party, or upon the expiration of any lease of the Premises by the Purchaser from the owner of the Premises.

10.2 Excused Performance. Except as otherwise specifically provided in this Agreement, neither Party shall be considered in breach of this Agreement or liable for any delay or failure to comply with this Agreement (other than the failure to pay amounts due hereunder), if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; *provided*, the Party claiming relief under this Article 10 shall as soon as practicable after becoming aware of the circumstances constituting Force Majeure (i) notify the other Party in writing of the existence of the Force Majeure Event, (ii) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) notify the other Party in writing of the cessation or termination of said Force Majeure Event and (iv) resume performance of its obligations hereunder as soon as practicable thereafter; *provided*, Purchaser shall not be excused from making any payments and paying any unpaid amounts due in respect of Energy Services delivered to Purchaser prior to the Force Majeure Event performance interruption. Subject to Section 10.3 below, the Parties agree that to the extent permitted by Applicable Law, the Term of this Agreement shall extend on a day for day basis for every day in which the occurrence of a Force Majeure Event has affected either Party's performance of its obligations hereunder.

10.3 Termination in Consequence of Force Majeure Event. If a Force Majeure Event shall have occurred that has affected Provider's performance of its obligations hereunder and that has continued for a continuous period of one hundred eighty (180) days, then either Party shall be entitled to terminate this Agreement upon ninety (90) days' prior written notice to the other Party. If at the end of such ninety (90) day period such Force Majeure Event shall still continue, this Agreement shall automatically terminate. Upon such termination for a Force Majeure Event,

neither Party shall have any liability to the other (other than any such liabilities that have accrued prior to such termination, including but not limited to Provider's obligations to remove the System and restore the Premises as set forth herein), and Purchaser shall have no obligation to pay the Early Termination Fee.

11. DEFAULT.

11.1 Provider Defaults and Purchaser Remedies.

(a) Provider Defaults. The following events shall be defaults with respect to Provider (each, a "Provider Default"):

- (i) A Bankruptcy Event shall have occurred with respect to Provider;
 - (ii) Provider fails to pay Purchaser any undisputed amount owed under the Agreement within thirty (30) days from receipt of notice from Purchaser of such past due amount;
 - (iii) Provider breaches any material representation, covenant or other term of this Agreement and (A) if such breach can be cured within thirty (30) days after Purchaser's written notice of such breach and Provider fails to so cure, or (B) Provider fails to commence and pursue a cure within such thirty (30) day period if a longer cure period is needed; and
 - (iv) Provider has offered or given consideration, in any form, either directly or through an intermediary, to any Purchaser officer, employee, or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Provider's performance pursuant to this Agreement, in violation of Los Angeles County – Board of Supervisors Policy Manual. Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts ("Improper Consideration").
- (b) Purchaser's Remedies. If a Provider Default described in Section 11.1(a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Article 12, Purchaser may terminate this Agreement with no penalty or liability whatsoever, including but not limited to the Early Termination Fee, and exercise any other remedy it may have at law or equity or under this Agreement.

11.2 Purchaser Defaults and Provider's Remedies.

(a) Purchaser Default. The following events shall be defaults with respect to Purchaser (each, a "Purchaser Default"):

- (i) A Bankruptcy Event shall have occurred with respect to Purchaser;
 - (ii) Purchaser breaches any material representation, covenant or other term of this Agreement if (A) such breach can be cured within thirty (30) days after Provider's notice of such breach and Purchaser fails to so cure, or (B) Purchaser fails to commence and pursue said cure within such thirty (30) day period if a longer cure period is needed, such longer cure period not to exceed ninety (90) days; and
 - (iii) Purchaser fails to pay Provider any undisputed amount due Provider under this Agreement within thirty (30) days from receipt of notice from Provider of such past due amount.
- (b) Provider's Remedies. If a Purchaser Default described in Section 11.2(a) has occurred and is continuing, in addition to other remedies expressly provided herein, and subject to Article 12, Provider may terminate this Agreement and upon such termination, (A) Provider shall be entitled to receive from Purchaser the Early Termination Fee set forth on Schedule 3, Column 1 of the Special Conditions, and (B) Provider may exercise any other remedy it may have at law or equity or under this Agreement.

11.3 Cross Default. With respect to any Systems that are co-located at the same Premises, if a Party defaults under this Agreement, it shall also be a default of such Party under the Agreement(s) related to the other co-located System(s); *provided*, a cure of the original default shall be a cure of any such cross default. In the event of a cross default, the non-defaulting Party shall be entitled to exercise its rights with respect to this Agreement and all such other Agreements, including terminating all such Agreements and, if Provider terminates one or more Agreements due to a Purchaser Default, Purchaser shall pay the Early Termination Fees for all such terminated Agreements.

11.4 Removal of System. Upon any termination of this Agreement pursuant to this Article 11 and payment of the Early Termination Fee (if applicable), Provider will remove the System pursuant to Section 2.4 hereof.

12. LIMITATIONS OF LIABILITY.

12.1 Except as expressly provided herein, neither Party shall be liable to the other Party or its Indemnified Persons for any special, punitive, exemplary, indirect, or consequential damages, losses or damages for lost revenue or lost profits, whether foreseeable or not, arising out of, or in connection with this Agreement.

12.2 A Party's maximum liability to the other Party under this Agreement, shall be limited to the aggregate Estimated Remaining Payments as of the date of the events giving rise to such liability, *provided*, the limits of liability under this Section 12.2 shall not apply with respect to (i) indemnity obligations hereunder in respect of personal injury or environmental claims and (ii) any obligation of Purchaser to pay Energy Service Payments, the Early Termination Fee or the Option Price, (iii) any obligation of Provider to pay for Lost Savings in accordance with the Special Conditions and (iv) if applicable, any obligation of Provider to remove the System and restore the Premises in accordance with Section 2.4.

13. ASSIGNMENT.

13.1 Assignment by Provider. Provider shall not sell, transfer or assign (collectively, an "Assignment") the Agreement or any interest therein, without the prior written consent of Purchaser, which shall not be unreasonably withheld, conditioned or delayed; *provided*, Purchaser agrees that Provider may assign this Agreement without the consent of the Purchaser to an Affiliate of Provider or any party providing financing for the System. In the event that Provider identifies a secured Financing Party in the Special Conditions, or in a subsequent notice to Purchaser, then Purchaser shall comply with the provisions set forth in Exhibit B of these General Terms and Conditions and agrees to provide such estoppels, acknowledgments and opinions of counsel as Provider may reasonably request from time to time. Any Financing Party shall be an intended third-party beneficiary of this Section 13.1. Any Assignment by Provider without obtaining the prior written consent and release of Purchaser, when such consent is required by this Section 13.1, shall not release Provider of its obligations hereunder.

13.2 Acknowledgment of Collateral Assignment. In the event that Provider identifies a secured Financing Party in the Special Conditions, or in a subsequent notice to Purchaser, then Purchaser hereby acknowledges:

(a) The collateral assignment by Provider to the Financing Party, of Provider's right, title and interest in, to and under this Agreement, as consented to under Section 13.1 of this Agreement.

(b) That the Financing Party as such collateral assignee shall be entitled to exercise any and all rights of lenders generally with respect to Provider's interests in this Agreement.

(c) That it has been advised that Provider has granted a first priority perfected security interest in the System to the Financing Party and that the Financing Party has relied upon the characterization of the System as personal property, as agreed in this Agreement in accepting such security interest as collateral for its financing of the System.

Any Financing Party shall be an intended third-party beneficiary of this Section 13.2.

13.3 Assignment by Purchaser. Purchaser shall not assign this Agreement or any interest therein, without Provider's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any Assignment by Purchaser without the prior written consent of Provider shall not release Purchaser of its obligations hereunder.

14. NOTICES.

14.1 Notice Addresses. Unless otherwise provided in this Agreement, all notices and communications concerning this Agreement shall be in writing and addressed to the other Party (or Financing Party, as the case may be) at the addresses set forth in the Special Conditions, or at such other address as may be designated in writing to the other Party from time to time.

14.2 Notice. Unless otherwise provided herein, any notice provided for in this Agreement shall be hand delivered, sent by registered or certified U.S. Mail, postage prepaid, or by commercial overnight delivery service, and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand delivered, upon confirmation of sending when sent by facsimile (if sent during normal business hours or the next Business Day if sent at any other time), on the Business Day after being sent when sent by overnight delivery service (Saturdays, Sundays and legal holidays excluded), or five (5) Business Days after deposit in the mail when sent by U.S. mail.

14.3 Address for Invoices. All invoices under this Agreement shall be sent to the address provided by Purchaser. Invoices shall be sent by regular first class mail postage prepaid.

15. CONFIDENTIALITY.

15.1 Confidentiality Obligation. If either Party provides confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the financing, design, operation and maintenance of the System or of Purchaser's business ("Confidential Information") to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information regarding the facilities or plans of the other, the receiving Party shall (a) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, and (b) refrain from using such Confidential Information, except in the negotiation and performance of this Agreement. Notwithstanding the above, a Party may provide such Confidential Information to its officers, directors, members, managers, employees, agents, contractors, consultants, Affiliates, lenders (existing or potential), investors (existing or potential) and potential third-party assignees of this Agreement or third-party acquirers of Provider or its Affiliates (provided and on condition that such potential third-party assignees be bound by a written agreement restricting use and disclosure of Confidential Information) (collectively, "Representatives"), in each case whose access is reasonably necessary. Each such recipient of Confidential Information shall be informed by the Party disclosing Confidential Information of its confidential nature and shall be directed to treat such information confidentially and shall agree to abide by these provisions. In any event, each Party shall be liable (with respect to the other Party) for any breach of this provision by any entity to whom that Party improperly discloses Confidential Information. The terms of this Agreement (but not its execution or existence) shall be considered Confidential Information for purposes of this Article, except as set forth in Section 15.3. All Confidential Information shall remain the property of the disclosing Party and shall be returned to the disclosing Party or destroyed after the receiving Party's need for it has expired or upon the request of the disclosing Party.

15.2 Permitted Disclosures. Notwithstanding any other provision herein, neither Party shall be required to hold confidential any information that:

- (a) Becomes publicly available other than through the receiving Party;
- (b) Is required to be disclosed by a Governmental Authority, under Applicable Law, including but not limited to the California Public Records Act, or pursuant to a validly issued subpoena or required filing, but a receiving Party subject to any such requirement shall promptly notify the disclosing Party of such requirement;

- (c) Is independently developed by the receiving Party; or
- (d) Becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality.

15.3 Goodwill and Publicity. Neither Party shall use the name, trade name, service mark, or trademark of the other Party in any promotional or advertising material without the prior written consent of such other Party. The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement, and each Party shall have the right to promptly review, comment upon, and approve any publicity materials, press releases, or other public statements by the other Party that refer to, or that describe any aspect of, this Agreement; *provided*, no such publicity releases or other public statements (except for filings or other statements or releases as may be required by Applicable Law) shall be made by either Party without the prior written consent of the other Party. At no time will either Party acquire any rights whatsoever to any trademark, trade name, service mark, logo or other intellectual property right belonging to the other Party. Notwithstanding the foregoing, Purchaser agrees that Provider may, at its sole discretion, take photographs of the installation process of the System and/or the completed System, and Provider shall be permitted to use such images (regardless of media) in its marketing efforts, including but not limited to use in brochures, advertisements, websites and news outlet or press release articles. The images shall not include any identifying information without Purchaser permission and the installation site shall not be disclosed beyond the type of establishment (such as "Retail Store," "Distribution Center," or such other general terms), the city and state.

15.4 Enforcement of Confidentiality Obligation. Each Party agrees that the disclosing Party would be irreparably injured by a breach of this Article 15 by the receiving Party or its Representatives or other Person to whom the receiving Party discloses Confidential Information of the disclosing Party and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, in the event of any breach of the provisions of this Article 15. To the fullest extent permitted by Applicable Law, such remedies shall not be deemed to be the exclusive remedies for a breach of this Article 15, but shall be in addition to all other remedies available at law or in equity.

16. INDEMNITY.

16.1 Provider's Indemnity. Subject to Article 12, Provider agrees that it shall indemnify and hold harmless Purchaser, its permitted successors and assigns and their respective directors, officers, members, shareholders and employees (collectively, the "Purchaser Indemnified Parties") from and against any and all Losses incurred by Purchaser Indemnified Parties to the extent arising from or out of the following: any claim for or arising out of any injury to or death of any Person or loss or damage to property of any Person to the extent arising out of Provider's negligence or willful misconduct. Provider shall not, however, be required to reimburse or indemnify any Purchaser Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Purchaser Indemnified Party.

16.2 Purchaser's Indemnity. Subject to Article 12 and to the extent permitted by Applicable Law, Purchaser agrees that it shall indemnify and hold harmless Provider, its permitted successors and assigns and their respective directors, officers, members, shareholders and employees (collectively, the "Provider Indemnified Parties") from and against any and all Losses incurred by Provider Indemnified Parties to the extent arising from or out of any claim for or arising out of any injury to or death of any Person or loss or damage to property of any Person to the extent arising out of Purchaser's negligence or willful misconduct. Purchaser shall not, however, be required to reimburse or indemnify any Provider Indemnified Party for any Loss to the extent such Loss is due to the negligence or willful misconduct of any Provider Indemnified Party.

17. INSURANCE.

17.1 Generally. Purchaser and Provider shall each maintain the following insurance coverages in full force and effect throughout the Term either through insurance policies or acceptable self-insured retentions: (a) Workers' Compensation Insurance as may be from time to time required under applicable federal and state law, (b) Commercial General Liability Insurance with limits of not less than \$2,000,000 general aggregate, \$1,000,000 per

occurrence, and (c) automobile insurance with commercially reasonable coverages and limits. Additionally, Provider shall carry adequate property loss insurance on the System which need not be covered by Purchaser's property coverage. The amount and terms of insurance coverage will be determined at Provider's sole discretion.

17.2 Certificates of Insurance. Each Party, upon request, shall furnish current certificates evidencing that the insurance required under Section 17.1 is being maintained. Each Party's insurance policy provided hereunder shall contain a provision whereby the insured agrees to give the other Party thirty (30) days' written notice before the insurance is cancelled or materially altered.

17.3 Additional Insureds. Each Party's insurance policy shall be written on an occurrence basis and shall include the other Party as an additional insured as its interest may appear.

17.4 Insurer Qualifications. All insurance maintained hereunder shall be maintained with companies either rated no less than A- as to Policy Holder's Rating in the current edition of Best's Insurance Guide (or with an association of companies each of the members of which are so rated) or having a parent company's debt to policyholder surplus ratio of 1:1.

18. MISCELLANEOUS.

18.1 Integration; Exhibits. The Agreement, together with the Exhibits and Schedules attached thereto or incorporated by reference, constitute the entire agreement and understanding between Provider and Purchaser with respect to the subject matter thereof and supersedes all prior agreements relating to the subject matter hereof which are of no further force or effect. The Exhibits and Schedules attached to this Agreement, including these General Terms and Conditions as incorporated by reference, are integral parts of this Agreement and are an express part of this Agreement. In the event of a conflict between the provisions of these General Terms and Conditions and any applicable Special Conditions, the provisions of the Special Conditions shall prevail.

18.2 Amendments. This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Provider and Purchaser.

18.3 Industry Standards. Except as otherwise set forth herein, for the purpose of this Agreement the normal standards of performance within the Energy Services industry in the relevant market shall be the measure of whether a Party's performance is reasonable and timely. Unless expressly defined herein, words having well-known technical or trade meanings shall be so construed.

18.4 Cumulative Remedies. Except as set forth to the contrary herein, any right or remedy of Provider or Purchaser shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

18.5 [Reserved].

18.6 Limited Effect of Waiver. The failure of Provider or Purchaser to enforce any of the provisions of this Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision, in any other instance or of any other provision in any instance.

18.7 Survival. The obligations under Section 2.4 (Removal of System), Section 7.1 (Provider Covenants), Sections 7.2(d), (e), (f), (g) and (h) (Purchaser Covenants), Section 8.3 (Exclusion of Warranties), Article 9 (Taxes and Governmental Fees), Article 12 (Limitation of Liability), Article 14 (Notices), Article 15 (Confidentiality), Article 18 (Miscellaneous), all payment or indemnification obligations accrued prior to termination of this Agreement, or pursuant to other provisions of this Agreement that, by their sense and context, are intended to survive termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

18.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without reference to any choice of law principles. The Parties agree that the courts of the State of California and the Federal Courts sitting therein shall have jurisdiction over any action or proceeding arising under this Agreement to the fullest extent permitted by Applicable Law. The Parties waive to the fullest extent

permitted by Applicable Law any objection it may have to the laying of venue of any action or proceeding under this Agreement any courts described in this Section 18.8.

18.9 Severability. If any term, covenant or condition in this Agreement shall, to any extent, be invalid or unenforceable in any respect under Applicable Law, the remainder of this Agreement shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by Applicable Law and, if appropriate, such invalid or unenforceable provision shall be modified or replaced to give effect to the underlying intent of the Parties and to the intended economic benefits of the Parties.

18.10 Relation of the Parties. The relationship between Provider and Purchaser shall not be that of partners, agents, or joint ventures for one another, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes, including federal income tax purposes. Provider and Purchaser, in performing any of their obligations hereunder, shall be independent contractors or independent parties and shall discharge their contractual obligations at their own risk.

18.11 Successors and Assigns. This Agreement and the rights and obligations under this Agreement shall be binding upon and shall inure to the benefit of Provider and Purchaser and their respective successors and permitted assigns.

18.12 Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

18.13 Electronic Delivery. This Agreement may be duly executed and delivered by a Party by execution and facsimile or electronic, "pdf" delivery of the signature page of a counterpart to the other Party.

18.14 Liquidated Damages Not Penalty. Purchaser acknowledges that the Early Termination Fee constitutes liquidated damages, and not penalties, in lieu of Provider's actual damages resulting from the early termination of this Agreement. Purchaser further acknowledges that Provider's actual damages may be impractical and difficult to accurately ascertain, and in accordance with Purchaser's rights and obligations under this Agreement, the Early Termination Fee constitutes fair and reasonable damages to be borne by Purchaser in lieu of Provider's actual damages.

[Remainder of page intentionally left blank.]

These General Terms and Conditions are witnessed and acknowledged by ForeFront Power and Purchaser below. Neither ForeFront Power nor Purchaser shall have any obligations or liability resulting from its witnessing and acknowledging these General Terms and Conditions.

“FOREFRONT POWER”: FFP BTM SOLAR, LLC

By: _____

Name: _____

Title: _____

Date: _____

“PURCHASER”: *Los Angeles County*

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A
of General Terms and Conditions

[PURCHASER'S LETTERHEAD]

[Landlord's Address]

Attn: Authorized Representative

Re: Proposed Energy System Installation at [Address of Premises]. Lease dated [] between [PURCHASER] and [LANDLORD] (the "Lease")

Dear Authorized Representative:

As has been discussed with you, [PURCHASER] ("Purchaser") and [FFP Entity], LLC ("Provider") have entered into an Energy Services Agreement, pursuant to which Provider will install, finance, operate, and maintain a [solar photovoltaic] [battery storage] system at the above-referenced premises which [PURCHASER] leases from you pursuant to the Lease. By signing below and returning this letter to us, you confirm that:

1. The [solar photovoltaic] [battery storage] system and the renewable energy (including environmental credits and related attributes) produced by the system are personal property, and shall not be considered the property (personal or otherwise) of [LANDLORD] upon installation of the system at the premises. Landlord consents to the filing by Provider of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction of the Premises.
2. Provider or its designee (including finance providers) shall have the right without cost to access the premises in order to install, operate, inspect, maintain, and remove the [solar photovoltaic] [battery storage] system. [LANDLORD] will not charge Purchaser or Provider any rent for such right to access the premises.
3. [LANDLORD] has been advised that the finance providers for the [solar photovoltaic] [battery storage] system have a first priority perfected security interest in the system. Provider and the finance providers for the [solar photovoltaic] [battery storage] system (including any system lessor or other lender) are intended beneficiaries of [LANDLORD]'s agreements in this letter.
4. [LANDLORD] will not take any action inconsistent with the foregoing.

We thank you for your consideration of this opportunity and we look forward to working with you in our environmental campaign to increase the utilization of clean, renewal energy resources.

Very truly yours,

[PURCHASER]

By: _____

Name:

Title:

Acknowledged and agreed by:

[LANDLORD]

By: _____

Name:

Title:

Exhibit B
of General Terms and Conditions

Certain Agreements for the Benefit of the Financing Parties

Purchaser acknowledges that Provider will be receiving financing accommodations from one or more Financing Parties and that Provider may sell or assign the System or this Agreement and/or may secure Provider's obligations by, among other collateral, a pledge or collateral assignment of this Agreement and a first security interest in the System. In order to facilitate such necessary sale, conveyance, or financing, and with respect to any such Financing Party, Purchaser agrees as follows:

(a) **Consent to Collateral Assignment.** Purchaser consents to either the assignment, sale or conveyance to a Financing Party or the collateral assignment by Provider to a Financing Party, of Provider's right, title and interest in and to this Agreement.

(b) **Notices of Default.** Purchaser will deliver to the Financing Party, concurrently with delivery thereof to Provider, a copy of each notice of default given by Purchaser under this Agreement, inclusive of a reasonable description of Provider default. No such notice will be effective absent delivery to the Financing Party. Purchaser will not mutually agree with Provider to cancel, modify or terminate this Agreement without the written consent of the Financing Party, however, this provision shall not be interpreted to limit any termination rights of either Party as set forth in the Agreement.

(c) **Rights Upon Event of Default.** Notwithstanding any contrary term of this Agreement:

i. The Financing Party shall be entitled to exercise, in the place and stead of Provider, any and all rights and remedies of Provider under this Agreement in accordance with the terms of this Agreement and only in the event of Provider's or Purchaser's default. The Financing Party shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the System.

ii. The Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of Provider thereunder or cause to be cured any default of Provider thereunder in the time and manner provided by the terms of this Agreement. Nothing herein requires the Financing Party to cure any default of Provider under this Agreement or (unless the Financing Party has succeeded to Provider's interests under this Agreement) to perform any act, duty or obligation of Provider under this Agreement, but Purchaser hereby gives it the option to do so.

iii. Upon the exercise of remedies under its security interest in the System, including any sale thereof by the Financing Party, whether by judicial proceeding or under any power of sale contained therein, or any conveyance from Provider to the Financing Party (or any assignee of the Financing Party) in lieu thereof, the Financing Party shall give notice to Purchaser of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement.

iv. Upon any default not reasonably susceptible to cure by a Finance Party, including, without limitation, rejection or other termination of this Agreement pursuant to any process undertaken with respect to Provider under the United States Bankruptcy Code, at the request of the Financing Party made within ninety (90) days of such default, Purchaser shall enter into a new agreement with the Financing Party or its designee having the same terms and conditions as this Agreement.

(d) **Right to Cure.**

i. Purchaser will not exercise any right to terminate or suspend this Agreement unless it shall have given the Financing Party prior written notice by sending notice to the Financing Party (at the address provided by Provider) of its intent to terminate or suspend this Agreement, specifying the condition giving rise to such right, and the Financing Party shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement. The Parties agree that the cure rights described herein are in addition to and apply and commence following the expiration of any notice

and cure period applicable to Provider. The Parties respective obligations will otherwise remain in effect during any cure period; *provided*, if such Provider default reasonably cannot be cured by the Financing Party within such period and the Financing Party commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed additional ninety (90) days.

ii. If the Financing Party (including any purchaser or transferee), pursuant to an exercise of remedies by the Financing Party, shall acquire title to or control of Provider's assets and shall, within the time periods described in Sub-section (c)(i). above, cure all defaults under this Agreement existing as of the date of such change in title or control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such person or entity shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect.

Exhibit C
of General Conditions

Requirements Applicable to the Installation Work

Section B.1 **Prohibition Against Use of Tobacco.** All properties and facilities owned, leased or operated by the Purchaser are tobacco-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may smoke, chew or otherwise use tobacco products. Provider shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's tobacco-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, Provider, and each Subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

Section B.2 **Prohibition Against Use of Drugs.**

(a) **Purchaser Drug-Free Policy.** All properties and facilities owned, leased or operated by the Purchaser are drug-free work places. No person on, at or in any Purchaser-controlled property or facility, including, without limitation, the Premises, may: (i) engage in the unlawful manufacture, dispensation, possession or use, including being under the influence, of any controlled substance, (ii) possess or use any alcoholic beverage, or (iii) use any substance which may cause significant impairment of normal abilities. Provider shall be responsible for: (i) informing any and all persons present on or at the Premises on account of the Installation Work about the Purchaser's drug-free policy; and (ii) strictly enforcing such policy with respect to the Premises. The Purchaser, Provider, and each Subcontractor shall require that any person present on or at the Premises on account of the Installation Work who violates such policy must permanently leave the Premises, and shall prohibit such person from thereafter being present or performing any of the Installation Work on or at the Premises.

(b) **Drug-Free Workplace Certification.** Provider is hereby made subject to the requirements of Government Code Sections 8350 et seq., the Drug-Free Workplace Act of 1990.

Section B.3 **Compliance with Labor Requirements.** The Installation Work is a "public works" project as defined in Section 1720 of the California Labor Code ("Labor Code") and made applicable pursuant to Section 1720.6 of the Labor Code. Therefore, the Installation Work is subject to applicable provisions of Part 7, Chapter 1, of the Labor Code and Title 8 of the California Code of Regulations, Section 16000 et seq. (collectively, "Labor Law"). Provider acknowledges that, as provided by Senate Bill 854 (Stats. 2014, Ch. 28), the Project is subject to labor compliance monitoring and enforcement by the California Department of Industrial Relations ("DIR").

Section B.4 **Compliance with Labor Code Requirements.** Provider must be, and shall be deemed and construed to be, aware of and understand the requirements of the Labor Law that require the payment of prevailing wage rates and the performance of other requirements on public works projects. Provider, at no additional cost to the Purchaser, must: (i) comply with any and all applicable Labor Law requirements, including, without limitation, requirements for payment of prevailing wage rates, inspection and submittal (electronically, as required) of payroll records, interview(s) of workers, et cetera; (ii) ensure that its Subcontractors are aware of and comply with the Labor Law requirements; (iii) in connection with Labor Law compliance matters, cooperate with the DIR, the Purchaser and other entities with competent jurisdiction; and (iv) post all job-site notices required by law in connection with the Installation Work, including, without limitation, postings required by DIR regulations. A Subcontractor that has been debarred in accordance with the Labor Code, including, without limitation, pursuant to Sections 1777.1 or 1777.7, is not eligible to bid on, perform, or contract to perform any portion of the Installation Work. Wage rates for the Installation Work shall be in accordance with the general prevailing rates of per-diem wages determined by the Director of Industrial Relations pursuant to Labor Code Section 1770. The following Labor Code sections are by this reference incorporated into and are a fully operative part of the Contract, and Provider shall be responsible for compliance therewith:

(a) Section 1735: Anti-Discrimination Requirements;

- (b) Section 1775: Penalty for Prevailing Wage Rate Violations;
- (c) Section 1776: Payroll Records;
- (d) Sections 1777.5, 1777.6 and 1777.7: Apprenticeship Requirements;
- (e) Sections 1810 through 1812: Working Hour Restrictions;
- (f) Sections 1813 and 1814: Penalty for Failure to Pay Overtime; and
- (g) Section 1815: Overtime Pay.

Section B.5 Requirements for Payroll Records. Provider must comply with all applicable provisions of Labor Code Sections 1776 and 1812, which relate to preparing and maintaining accurate payroll records, and making such payroll records available for review and copying by the Purchaser, the DIR Division of Labor Standards Enforcement, and the DIR Division of Apprenticeship Standards. The payroll records must be certified and made available as required by Labor Code Section 1776.

Section B.6 Contractor Registration. On and after March 1, 2015, no contractor may bid on a public works project unless the contractor is, and no subcontractor may be listed in any bid for a public works project unless the subcontractor is, currently registered with the DIR and qualified to perform public work pursuant to Labor Code Section 1725.5. On and after April 1, 2015, no contractor or subcontractor may be awarded a contract for work on a public works project, or may perform any work on a public works project, unless the contractor or subcontractor is currently registered with the DIR and qualified to perform public work pursuant to Labor Code Section 1725.5. It is not a violation of Labor Code Section 1725.5 for an unregistered contractor to submit a bid authorized by Business and Professions Code Section 7029.1 or Public Contract Code Section 20103.5, if the contractor is registered at the time the contract is awarded.

Section B.7 Permits and Licenses. Without limiting anything set forth in Section B.7 of this Exhibit C, Provider, its Subcontractors, and all of their respective employees and agents: (i) shall secure and maintain in force at all times during the performance of the Installation Work such licenses and permits as are required by law; and (ii) shall comply with all federal and State, and County laws and regulations, and other governmental requirements applicable to the System or the Installation Work. Provider or its subcontractors shall obtain and pay for all permits and licenses required for the performance of, or necessary in connection with, the Installation Work, and shall give all necessary notices and deliver all necessary certificates to the Purchaser, and shall pay all royalties and license fees arising from the use of any material, machine, method or process used in performing the Installation Work. Provider shall be solely responsible for all charges, assessments and fees payable in connection with any such licenses, permits, materials, machines, methods, and processes.

Section B.8 Protection of Minor-Aged Students. Provider, in conformance with Education Code Section 45125.1, shall require and be responsible for ensuring compliance by each and every person who will be on or at the Premises in connection with the construction, maintenance, operation or other purposes related to the System with all California Department of Justice guidelines and requirements relating to fingerprinting and criminal-history background checks, regardless of whether Section 45125.1 otherwise by its terms would apply to any such activities. In the event Education Code Section 45125.1 is repealed or superseded, Provider, following receipt of written notice from the Purchaser, shall comply with such successor or other requirements as determined by the Purchaser in its reasonable discretion. The Purchaser, in its discretion, may exempt in writing any person(s) from the foregoing requirements if Provider makes alternative arrangements for supervision of such person(s) that are acceptable to the Purchaser in its sole discretion.

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

| | | |
|--|---|---|
| CLUSTER AGENDA REVIEW DATE | 10/12/2022 | |
| BOARD MEETING DATE | 11/1/2022 | |
| SUPERVISORIAL DISTRICT AFFECTED | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th | |
| DEPARTMENT(S) | Internal Services Department (ISD) | |
| SUBJECT | Request authority to award and execute Energy Support Services Master Agreements (ESSMA) and transfer Work Orders. | |
| PROGRAM | County's Energy Management Program | |
| AUTHORIZES DELEGATED AUTHORITY TO DEPT | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: | |
| DEADLINES/ TIME CONSTRAINTS | Current Energy Support Services Master Agreements expire December 19, 2022 and have two month-to-month extensions following this date. | |
| COST & FUNDING | Total cost: Expenditures under these MAs will vary from project to project based on the need for energy support services. Expenditures will remain within the budgeted appropriation for such services. Contractors will not be asked to perform services which exceed the amounts, scope of work and dates specified in each individual work order. | Funding source: Funding for these expenditures is included in the Utilities and Operating Budgets in the current Fiscal Year and will be requested in subsequent Fiscal Year budget requests. Expenditures will remain within the budgeted appropriation for such services. The MAs will only be used where sufficient budgeted funds or grants are available. |
| | TERMS (if applicable): Initial term of five years, with two additional three-year renewal options and six month-to-month extensions, effective upon Board approval. | |
| | Explanation: There is a continuing need to obtain specialized energy support services to assist ISD with effectively managing the County's energy management program and to assist ISD in meeting the County's fluctuating energy and utility requirements. Professional services are competitively bid and awarded to prequalified contractors on a project-by-project basis. The Board's approval of the proposed new ESSMA will allow ISD to continue to acquire energy support services for the County's energy needs. | |
| PURPOSE OF REQUEST | (1) Request of delegated authority to award and execute MAs with 16 qualified vendors to provide as-needed energy support services; (2) delegated authority to execute MAs with additional vendors as they become qualified throughout term of MA, exercise the extension renewal options, execute Work Orders, suspend or terminate MA's for administrative convenience, execute applicable MA amendments should the original contracting entity merge, be acquired or otherwise have a change in entity, and add or delete service categories to ESSMA as they become necessary; (3) approve the transfer of 14 existing Work Orders from the current MAs (2013) to the new ESSMA (2022). | |
| BACKGROUND | On August 20, 2013 your Board approved the ESSMAs with an effective date of August 20, 2013 to continue to provide as-needed energy support services | |
| EQUITY INDEX OR LENS WAS UTILIZED | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Services include: Developing partnerships with CBO's, industry employers, workforce boards, other WE&T providers and unions; and Provide support in developing part or all of a workforce educational & training (WE&T) program aimed at helping County communities members enter high-road/high quality employment and advancing salary growth. | |
| SUPPORTS ONE OF THE NINE BOARD PRIORITIES | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Number 5, Environmental Health: To address recent and future environmental health threats impacting County, by providing services that include: conducting State and federal legislation reviews, impact assessments, and developing strategies for refining greenhouse gas emissions. | |
| DEPARTMENTAL CONTACTS | Christie Carr, Division Manager; 323- 267-3101; ccarr@isd.lacounty.gov | |



SELWYN HOLLINS
Director

County of Los Angeles **INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue
Los Angeles, California 90063

Telephone: (323) 267-2101
FAX: (323) 264-7135

"Trusted Partner and Provider of Choice"

November 1, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

REQUEST AUTHORITY TO AWARD ENERGY SUPPORT SERVICES MASTER AGREEMENTS AND TRANSFER WORK ORDERS (ALL DISTRICTS – 3 VOTES)

SUBJECT

Request approval to award and execute Master Agreements for Energy Support Services Master Agreement (ESSMA) and transfer 14 Work Order to Master Agreements and related Work Orders (WOs) to the new ESSMA.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Internal Services Department (ISD), or designee, to award and execute Master Agreements (MAs) (Attachment 1), with 16 qualified vendors (Attachment 2) to provide as-needed energy support services, for an initial contract term of five years, with two additional three-year renewal options and six month-to-month extensions.
2. Authorize the Director of ISD, or designee, to execute MAs with additional vendors as they become qualified throughout the term of recommended MA, exercise the extension renewal options, execute Work Orders (WOs), suspend or terminate MAs for the administrative convenience (e.g., non-performance related issues, etc.), execute applicable MA amendments should the original contracting entity merge, be acquired, or otherwise have a change in entity, make changes to the terms and conditions to align with Board policy changes, and directives and add or delete service categories to ESSMA as they become necessary.

3. Approve the transfer of 14 WOs (Attachment 3) from the current 2013 ESSMA to the new 2022 ESSMA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

ISD currently administers the ESSMA which provides a pool of readily available prequalified contractors to assist ISD with effectively managing the County's energy management program. The range of consulting services includes:

- Rates and Analytical Support
- Power Plant and Cogeneration
- Energy Efficiency (EE)
- Distributed Energy Resources (DER)
- Electric Vehicle (EV) and EV Supply Equipment (EVSE)
- Legislation and Regulation Support
- Commissioning and Retro-Commissioning
- Utility Contracts/Agreements Support
- Categorizing, Recording, and Reporting Greenhouse Gas Emissions
- Environmental Programs Development
- Environmental Programs Development for Communities
- Energy and Environmental Grant Writer
- Energy and Environmental Project Manager
- Energy and Environmental Field Technician
- Energy and Environmental Project Analyst
- Energy and Environmental Workforce Education, Development and Training
- Energy and Environmental External Funding Sources Management and Administration

Professional services are competitively solicited and awarded to prequalified contractors on a project-by-project basis. The current Master Agreement expires on December 19, 2022 and has two additional month-to-month extensions following this date. There is a continuing need to obtain professional energy consulting services to help ISD meet the County's energy and utility requirements.

Recommendation number one requests delegated authority to the Director of ISD, or designee, to execute new ESSMAs which will allow ISD to continue to acquire energy support services for the County's ongoing energy needs.

Approval of recommendation number two will allow ISD to execute additional MAs with new vendors as they become qualified throughout the term of the ESSMA and to effectively manage the MAs through suspending and/or terminating MAs when vendors cease to be in compliance, executing the amendments to exercise renewal options and month-to-month extensions, add/delete services categories to continually meet the needs of the County and execute WOs.

Recommendation number three requests authority to transfer 14 WOs from the current 2013 ESSMA to the new 2022 ESSMA. Transferring the current open WOs will allow services under the specific project WO scope to be completed without interruption to current County operations, as well as avoid schedule delays and increased costs to the County. There will be an overlap in contract terms to effectuate the transitioning of existing WOs. All new services will be re-solicited under the new recommended 2022 ESSMA.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support the Countywide Strategic Plan Goal II.3.2 to Foster a cleaner, more efficient, and more resilient energy system by promoting diverse, clean and renewable energy solutions and systems, support energy efficiency, and support strategies to ensure reliability of the energy networks; and Goal II.3.5 to support clean, flexible, and integrated multi-modal transportation systems and providing consulting services for electric and other clean vehicle technologies across all vehicle classes along with supporting infrastructures.

FISCAL IMPACT/FINANCING

Approval of the recommended MAs does not guarantee contractors any minimum amount of work. The County only incurs an obligation as individual WOs are issued. Expenditures under this agreement will vary from year to year based on the need for energy support services. Funding for these expenditures is included in the Utilities and Operating Budgets in the current Fiscal Year and in subsequent Fiscal Year budget requests. Expenditures will remain within the budgeted appropriation for such services. Contractors will not be asked to perform services which exceed the amounts, scope of work and dates specified in each individual WO.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The terms and conditions of the recommended MA have been approved as to form by County Counsel. The MAs also include the Board's required provisions including those pertaining to consideration of qualified County employees targeted for layoffs, as well as qualified GAIN/GROW participants for employment openings, and compliance with

the Jury Service Ordinance, Safely Surrendered Baby Law and Child Support Compliance Program, Defaulted Property Tax Reduction Program, and County Preference Programs.

The proposed MAs are not subject to the County's Living Wage Program. County Code 2.201 does not apply to the ESSMA as these agreements are for temporary and as-needed intermittent services and the work performed by these firms is highly technical in nature.

MA do not impact Board Policy No. 5.030, "Low-Cost Labor Resource Program", due to the specialized nature of the services.

The proposed agreements include all Board-required programmatic provisions and are unchanged from the Sample Master Agreement that was issued with the RFSQ.

One (1) of the recommended contractors are certified as Local Small Business Enterprises (LSBEs). A summary of the CBE Firm Organization Information is provided in Attachment 4.

CONTRACTING PROCESS

On April 26, 2022, ISD released a Request for Statement of Qualifications (RFSQ) for Energy Support Services (ESSMA) and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 5).

A non-mandatory virtual vendors conference was held on May 10, 2022, with seven (7) firms in attendance.

Since the release of the RFSQ, 16 Statement of Qualifications (SOQs) have been received and reviewed for compliance with the minimum requirements criteria stated in the RFSQ. The vendors listed in Attachment 2 were determined to be qualified and, as such, are being recommended for MA award, 16 vendors in total.

New vendors may qualify for a MA at any time by submitting a SOQ. These vendors will be added to the MA if they meet the ESSMA minimum requirements. Thereafter, as services are needed, specific services, tasks, and deliverables will be determined at the time the ISD releases Work Order Solicitations (WOS) which shall describe in detail the particular project and the work required for the performance thereof. Qualified vendors will be solicited under competitive conditions to provide energy support services under work orders executed by ISD. WO awards will be made to the lowest priced qualified vendor unless other selection criteria are set forth in the work

order solicitation. Vendors certified as a Preference Program Provider will receive the 15% preference on their individual work order bids. All qualified vendors will receive work order solicitations released in the ESSMA categories where the vendor has been pre-qualified.

To increase opportunities and participation from County Preference Program vendors (i.e., LSBE, DVBE, and SE) and the CBE program, ISD regularly coordinates outreach efforts such as vendor fairs with the Department of Consumer and Business Affairs (DCBA), Office of Small Business (OSB) and other County departments. Additionally, ISD hosted two virtual vendor events to advertise this contracting opportunity, specifically to increase participation from our small business community, and worked closely with DCBA to advertise the contracting opportunity with their vendor network and in their newsletter. ISD will continue to advertise the contracting opportunities provided under the recommended MA and new vendors may qualify at any time to be awarded.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of MAs will provide the ability to effectively and efficiently address the County's energy needs.

CONCLUSION

Upon approval by the Board, it is requested that the Executive Office, Board of Supervisors return one stamped copy of the approved Board Letter to the Director of ISD. Approval of the recommended agreements will allow ISD to continue managing the County's energy management program.

Respectfully submitted,

SELWYN HOLLINS
Director

SH:MO:CC:SO:na

Attachments

c: Executive Office, Board of Supervisors
Chief Executive Officer

The Honorable Board of Supervisors
November 1, 2022
Page 6

County Counsel

DRAFT

APPENDIX G

SAMPLE MASTER AGREEMENT



MASTER AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

INTERNAL SERVICES DEPARTMENT

AND

(CONTRACTOR)

FOR

**ENERGY SUPPORT SERVICES MASTER AGREEMENT
(ESSMA)**

**MODEL MASTER AGREEMENT PROVISIONS
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Appendix G
Sample Master Agreement

**MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES,
INTERNAL SERVICES DEPARTMENT
AND
(CONTRACTOR)
FOR
ENERGY SUPPORT SERVICES**

This Master Agreement and Exhibits made and entered into this ____ day of _____, 20__ by and between the County of Los Angeles, Internal Services Department hereinafter referred to as County and _____, hereinafter referred to as Contractor, to provide Energy Support Services in the following category(ies): Rates and Analytical Support; Power Plant and Cogeneration; Energy Efficiency (EE); Distributed Energy Resources (DER); Electric Vehicle (EV) and EV Supply Equipment (EVSE); Legislation and Regulation Support; Commissioning and Retro-Commissioning; Utility Contracts/Agreements Support; Categorizing, Recording, and Reporting Greenhouse Gas Emissions; Environmental Programs Development; Environmental Programs Development for Communities; Energy and Environmental Grant Writer; Energy and Environmental Project Manager; Energy and Environmental Field Technician; Energy and Environmental Project Analyst; Energy and Environmental Workforce Education, Development and Training; and Energy and Environmental Funding Sources Management and Administration.

RECITALS

WHEREAS, the County may contract with private businesses for Energy Support Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Energy Support Services; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Director of Internal Services Department or designee to execute and administer this Master Agreement; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, J, K, L and M are attached to and form a part of this Master Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Master Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Master Agreement and then to the Exhibits according to the following priority:

Standard Exhibits:

- | | | |
|-----|-----------|--------------------------------|
| 1.1 | Exhibit A | County's Administration |
| 1.2 | Exhibit B | Contractor's Administration |
| 1.3 | Exhibit C | Contractor's EEO Certification |
| 1.4 | Exhibit D | Jury Service Ordinance |
| 1.5 | Exhibit E | Safely Surrendered Baby Law |
| 1.6 | Exhibit F | Sample Work Order Formats |

- 1.7 Exhibit G Forms Required for Each Work Order Before Work Begins

Unique Exhibits:

- 1.8 Exhibit H Intentionally Omitted
1.9 Exhibit I Intentionally Omitted
1.10 Exhibit J Subsequent Executed Work Orders
1.11 Exhibit K Intentionally Omitted
1.12 Exhibit L Intentionally Omitted
1.13 Exhibit M ESSMA Categories

This Master Agreement and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Master Agreements, written and oral, and all communications between the parties relating to the subject matter of this Master Agreement. No change to this Master Agreement shall be valid unless prepared pursuant to sub-paragraph 8.1 - Amendments and signed by both parties.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Active Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance requirements have all been received by the Department and are valid and in effect at the time of a given Work Order award. As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.
- 2.2 Contractor Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the Master Agreement award.
- 2.3 County Master Agreement Program Director (MAPD):** Person designated by Director with authority to negotiate and recommend all changes on behalf of County.
- 2.4 County Project Director:** Person designated by Director with authority to approve all Work Order solicitations and executions.
- 2.5 County Project Manager:** Person designated as chief contact person with respect to the day-to-day administration of the Master Agreement.
- 2.6 County's Work Order Directors:** Responsible for coordinating and monitoring the Work Order.

- 2.7 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 **Director:** Director of Internal Services Department.
- 2.9 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10 **Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of, and otherwise governs, subsequent Work Orders.
- 2.11 **Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the Internal Services Department.
- 2.12 **Request For Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.
- 2.13 **Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.14 **Statement of Work:** A written description of tasks and/or deliverables desired by County for a specific Work Order.
- 2.15 **Work Order:** A subordinate agreement executed wholly within and subject to the provisions of this Master Agreement, for the performance of tasks and/or provision of deliverables as described in a specification or a Statement of Work. Each Work Order shall result from bids, solicited by and tendered to County, by Qualified Contractors. Unless otherwise specified in the Work Order Availability Notice, County shall select the lowest cost, qualified bid responding to the requirements of the proposed Work Order. No work shall be performed by Contractors except in accordance with validly bid and executed Work Orders.

3.0 WORK

- 3.1 Pursuant to the provisions of this Master Agreement, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.2 Work Orders shall generally conform to either Exhibit F1 or F2, depending on whether the particular Work Order is to be performed on a time and materials basis (see Exhibit F1) or on a fixed price per deliverable basis (see Exhibit F2) as determined by County. Each Work Order shall include an attached Statement of Work, which shall describe in detail the particular project and the work required for the performance thereof. Payment for all work shall be either on a time and materials basis or on a fixed priced per deliverable basis, subject

to the Total Maximum Amount specified on each individual Work Order.

- 3.3 If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount as specified in the Work Order as originally written or modified in accordance with sub-paragraph 8.1, Amendments, these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.
- 3.4 County procedures for issuing and executing Work Orders are as set forth in this sub-paragraph 3.4. Upon determination by County to issue a Work Order solicitation, County shall issue a Work Order solicitation containing a Statement of Work to all Master Agreement Qualified Contractors. Each interested Qualified Contractor so contacted shall submit a bid to the County address and within the timeframe specified in the solicitation. Failure of Contractor to provide a bid within the specified timeframe may disqualify Contractor for that particular Work Order.
- 3.5 Upon completion of evaluations, County shall execute the Work Order by and through the Internal Services Department staff identified in this Master Agreement with the lowest cost Qualified Contractor unless the Work Order solicitation specifies bid evaluation criteria other than lowest cost. It is understood by Contractor that County's competitive bidding procedure may have the effect that no Work Orders are awarded to some Master Agreement Qualified Contractors. Work Orders are usually issued for periods not extending past the end of County's current fiscal year (June 30th) with the exception of Work Orders for as needed services on a time and material basis, which may be issued to correspond with the term of the Master Agreement. However, at such time the Work Order is only extended through the end of the fiscal year, County may either rebid the Work Order tasks or extend the Work Order if technical or cost circumstances require it.
- 3.6 County estimates that selection of any Contractor shall occur within five (5) business days of completion of the evaluations of the particular Work Order bids. Following selection, all Contractors selected must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion of County's Project Director.
- 3.7 In the event Contractor defaults three times under sub-paragraph 3.6 within a given County fiscal year, then County may terminate this

Master Agreement pursuant to Sub-paragraph 8.42, Termination for Default.

4.0 TERM OF MASTER AGREEMENT

4.1 This Master Agreement is effective upon the date of its execution by Director of Internal Services Department or his/her designee as authorized by the Board of Supervisors. This Master Agreement shall expire five (5) years from the date of Board Approval of the initial Master Agreement unless sooner extended or terminated, in whole or in part, as provided herein.

4.2 The County shall have the sole option to extend the Master Agreement term for up to two (2) additional three (3) year periods and six (6) month to month extensions, for a maximum total Master Agreement term of 11 years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Department Head or his/her designee as authorized by the Board of Supervisors.

The County maintains a database that track/monitor contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a Master Agreement term extension option.

4.3 Contractor shall notify the Department when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to the Internal Services Department at the address herein provided in Exhibit A.

5.0 CONTRACT SUM

5.1 Contractor shall not be entitled to any payment by County under this Master Agreement except pursuant to validly executed and satisfactorily performed Work Orders. In each year of this Master Agreement, the total of all amounts actually expended by County hereunder ("maximum annual expenditures") may not exceed amounts allocated to the Internal Services Department by the County Board of Supervisors in their approved budgets. The County has sole discretion to expend some, all, or none of such budgeted amounts. The sum of such annual expenditures for the duration of the Master Agreement is the Contract Sum.

5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation,

merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

5.3 No Payment for Services Provided Following Expiration/Termination of Master Agreement

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Master Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Master Agreement.

5.4 Invoices and Payments

5.4.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall separately invoice County for each Work Order either: (1) monthly, if performed on a Time and Materials basis (see Exhibit F1) or (2) by deliverable, if performed on a fixed price per deliverable basis (see Exhibit F2).

5.4.2 Payment for all work shall be on either a Time and Materials basis or a fixed price per deliverable basis, subject to the Total Maximum Amount specified in each Work Order less any amounts assessed in accordance with sub-paragraph 8.25, Liquidated Damages.

5.4.3 County shall not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.

5.4.4 All work performed by, and all invoices submitted by, Contractor pursuant to Work Orders issued hereunder must receive the written approval of County's Work Order Director, who shall be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.

5.4.5 Invoices under this Master Agreement shall be submitted to the address(es) set forth in the applicable Work Order.

5.4.6 Invoice Content

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in the applicable Work Order.

Time and Materials Work Order:

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- Number of hours being billed for the individual(s) and the labor rate(s) as specified in the Work Order; and
- Total amount of the invoice.

Fixed Price Per Deliverable

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- A brief description of the deliverable(s) for which payment is claimed, the respective number(s) assigned to the deliverable(s), and the individual amount being billed for each deliverable; and
- The total amount of the invoice.

5.4.7 Local Small Business Enterprises – Prompt Payment Program

Certified Local Small Business Enterprises (LSBEs) will receive prompt payment for services they provide to County departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

5.5 Default Method of Payment: Direct Deposit or Electronic Funds Transfer

5.5.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/ contract with the County shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.5.2 The Contractor shall submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov>

with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.5.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments.

5.5.4 At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

A listing of all County Administration referenced in the following subparagraphs are designated in Exhibit A. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Master Agreement Program Director (MAPD)

The MAPD has the authority to negotiate, recommend all changes to this Master Agreement, and resolve disputes between the Internal Services Department and Contractor.

6.2 County's Project Director

The County's Project Director, or designee, is the approving authority for individual Work Order solicitations and executions.

6.3 County's Work Order Director

A Work Order Director will be assigned for each Work Order by County's Project Director.

6.3.1 The responsibilities of the Work Order Director include:

- ensuring that the technical standards and task requirements articulated in the individual Work Order are satisfactorily complied with, and shall provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Contractor to perform Work Orders;
- coordinating and monitoring the work of Contractor personnel assigned to the Work Order Director's specific

projects, and for ensuring that this Master Agreement's objectives are met;

- monitoring, evaluating and reporting Contractor performance and progress on the Work Order;
- coordinating with Contractor's Project Manager, on a regular basis, regarding the performance of Contractor's personnel on each particular project;
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.3.2 County's Work Order Directors are not authorized to make any changes in Work Order labor rates, dollar totals or periods of performance, or in the terms and conditions of this Master Agreement, except through formally prepared Amendments, sub-paragraph 8.1.

6.4 County's Project Manager

The County's Project Manager is County's chief contact person with respect to the day-to-day administration of this Master Agreement. The Project Manager shall prepare, and issue Work Orders and any Amendments thereto, and generally be the first person for Contractor to contact with any questions.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager is designated in Exhibit B. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Work Order Directors on a regular basis with respect to all active Work Orders.

7.2 Contractor's Authorized Official(s)

7.2.1 Contractor's Authorized Official(s) are designated in Exhibit B. Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

7.2.2 Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

7.3 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager. Contractor shall provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.4 Contractor's Staff Identification

7.4.1 All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

7.4.2 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper County ID badge on their person.

7.4.3 Contractor shall notify the County within one business day when staff is terminated from working under this Master Agreement. Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

7.4.4 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has been removed from working on the County's Master Agreement.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Master Agreement who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Master Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

- 7.5.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Master Agreement at any time during the term of the Master Agreement. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.
- 7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 7.5.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Master Agreement.

7.6 Confidentiality

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation,

County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Master Agreement.
- 7.6.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G3.
- 7.6.5 Contractor shall cause each non-employee performing services covered by this Master Agreement to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit G4.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Master Agreement during the term of this Master Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such orders, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by Director of Internal Services Department, or his/her designee.
- 8.1.2 The Director of Internal Services Department, or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Master Agreement. The Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by Director of Internal Services Department, or his/her designee.
- 8.1.3 **Addition of ESSMA Categories**

An Amendment to the Master Agreement shall be prepared and executed by the Contractor and by Internal Services Department to add or delete ESSMA Categories.

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1 The Contractor shall notify the County of any pending

acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.

8.2.2 The Contractor shall not assign, exchange, transfer, or delegate its rights or duties under this Master Agreement, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent shall be null and void. For purposes of this subparagraph, County consent shall require a written amendment to the Master Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Master Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Master Agreement which may result in the termination of this Master Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 Authorization Warranty

The Contractor represents and warrants that the person executing this Master Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Master Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 Complaints

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

- 8.4.1 Within five (5) business days after the Master Agreement effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 8.4.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.4.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.4.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.4.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.4.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.5 Compliance with Applicable Laws

- 8.5.1 In the performance of this Master Agreement, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Master Agreement are hereby incorporated herein by reference.
- 8.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.5 shall be conducted by Contractor and

performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6 Compliance with Civil Rights Laws

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement. The Contractor shall comply with Exhibit C - Contractor's EEO Certification.

8.7 Compliance with County's Jury Service Program

8.7.1 Jury Service Program: This Master Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit D and incorporated by reference into and made part of this Master Agreement.

8.7.2 Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees

received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a Master Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Master Agreements or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Master Agreement, the subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Master Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this sub-paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County

may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of future County Master Agreements for a period of time consistent with the seriousness of the breach.

8.8 Conflict of Interest

8.8.1 No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Master Agreement. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.8.2 The Contractor shall comply with all conflict-of-interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Master Agreement. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph 8.8 shall be a material breach of this Master Agreement.

8.9 Consideration of Hiring County Employees Targeted for Layoffs or are on a County Re-employment List

Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Master Agreement.

8.10 Consideration of Hiring GAIN-GROW Participants

8.10.1 Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's

Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: GAINGROW@DPSS.LACOUNTY.GOV and BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

- 8.10.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.11 Contractor Responsibility and Debarment

8.11.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

8.11.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Master Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in this Master Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.11.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a Master Agreement with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Master Agreement with the County, any other public entity, or a nonprofit corporation created by

the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.11.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or

management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.11.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.12 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law

The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit E, in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at <https://lacounty.gov/residents/family-services/child-safety/safe-surrender/>.

8.13 Contractor's Warranty of Adherence to County's Child Support Compliance Program

8.13.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Purchase Order or Master Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.13.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Master Agreement to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Master Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.14 County's Quality Assurance Plan

The County or its agent(s) will monitor the contractor's performance under this Master Agreement on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Master Agreement terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Master Agreement in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/ corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Master Agreement or impose other penalties as specified in this Master Agreement.

8.15 Damage to County Facilities, Buildings or Grounds

8.15.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

- 8.15.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.16 Employment Eligibility Verification

- 8.16.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Master Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.16.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Master Agreement.

8.17 Counterparts and Electronic Signatures and Representations

This Master 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 Master Agreement. The facsimile, email or electronic signature of the Parties shall be deemed to constitute original signatures, and facsimile or electronic copies hereof shall be deemed to constitute duplicate originals.

The County and the Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Master Agreement.

8.18 Fair Labor Standards

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.19 Force Majeure

- 8.19.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").
- 8.19.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 8.19.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.20 Governing Law, Jurisdiction, and Venue

This Master Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the

State of California for all purposes regarding this Master Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.21 Independent Contractor Status

8.21.1 This Master Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.21.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Master Agreement.

8.21.4 The Contractor shall adhere to the provisions stated in subparagraph 7.6 – Confidentiality.

8.22 Indemnification

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Master Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

8.23 General Provisions for all Insurance Coverage

Without limiting Contractor's indemnification of County, and in the performance of this Master Agreement and until all of its obligations

pursuant to this Master Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Section and Section 8.24 of this Master Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Master Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Master Agreement.

8.23.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Master Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Master Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Master Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Internal Services Department, Contracting Division
1100 Eastern Avenue, Los Angeles, CA 90063
Attention: Nazeli Albaryan

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Master Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.23.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.23.3 Cancellation of or Changes in Insurance

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change.

Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Master Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Master Agreement.

8.23.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Master Agreement, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Master Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.23.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.23.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Master Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.23.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Master Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.23.8 Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance

provisions herein and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.23.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Master Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Master Agreement expiration, termination or cancellation.

8.23.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.23.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.23.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.23.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.24 Insurance Coverage

8.24.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

| | |
|--|-------------|
| General Aggregate: | \$2 million |
| Products/Completed Operations Aggregate: | \$1 million |
| Personal and Advertising Injury: | \$1 million |
| Each Occurrence: | \$1 million |

8.24.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Master Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 Workers Compensation and Employers' Liability insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 0 A) naming the County as the Alternate Employer. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.24.4 Professional Liability/Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Master Agreement, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a

period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25 Liquidated Damages

8.25.1 If, in the judgment of the Director, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Director, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Director, or his/her designee, in a written notice describing the reasons for said action.

8.25.2 If the Director determines that there are deficiencies in the performance of this Master Agreement that the Director or his/her designee, deems are correctable by the Contractor over a certain time span, the Director or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director may:

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as may be specified in any Performance Requirements Summary (PRS) Charts in future Work Orders, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or

(c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

- 8.25.3 The action noted in sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Master Agreement.
- 8.25.4 This sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Master Agreement provided by law or as specified in the PRS or sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.26 Most Favored Public Entity

If the Contractor's prices decline or should the Contractor at any time during the term of this Master Agreement provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Master Agreement, then such lower prices shall be immediately extended to the County.

8.27 Nondiscrimination and Affirmative Action

- 8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.27.2 The Contractor shall certify to, and comply with, the provisions of Exhibit C - Contractor's EEO Certification.
- 8.27.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex,

age, physical or mental disability, marital status, or political affiliation.

- 8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.27.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this subparagraph 8.27 when so requested by the County.
- 8.27.7 If the County finds that any provisions of this sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Master Agreement.
- 8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Master Agreement, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Master Agreement.

8.28 Non Exclusivity

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Master Agreement shall not restrict the Department from acquiring similar, equal or like goods and/or services from other entities or sources.

8.29 Notice of Delays

Except as otherwise provided under this Master Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Master Agreement, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 Notice of Disputes

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County Project Manager or County Project Director is not able to resolve the dispute, the Director of Internal Services Department, or designee shall resolve it.

8.31 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.32 Notice to Employees Regarding the Safely Surrendered Baby Law

The contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit E, Safely Surrendered Baby Law of this Master Agreement. Additional information is available at <https://lacounty.gov/residents/family-services/child-safety/safe-surrender/>.

8.33 Notices

All notices or demands required or permitted to be given or made under this Master Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits A, County's Administration and B, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Director of Internal Services Department or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.34 Prohibition Against Inducement or Persuasion

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.35 Public Records Act

8.35.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of an SOQ marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.36 Publicity

8.36.1 The Contractor shall not disclose any details in connection with this Master Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Master Agreement within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Master Agreement, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this subparagraph 8.36 shall apply.

8.37 Record Retention and Inspection-Audit Settlement

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Master Agreement. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Master Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Master Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law

or under this Master Agreement. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.

8.37.3 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Master Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

8.38 Recycled Bond Paper

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Master Agreement.

8.39 Subcontracting

8.39.1 The requirements of this Master Agreement may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.

8.39.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and

- Other pertinent information and/or certifications requested by the County.
- 8.39.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.39.4 The Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.39.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.
- 8.39.6 The County's MAPD is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.39.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.39.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

Nazeli Albaryan
County of Los Angeles
Internal Services Department, Contracting Division
1100 N. Eastern Avenue, Room 101
Los Angeles, CA 90063
nalbaryan@isd.lacounty.gov

before any subcontractor employee may perform any work hereunder.

8.40 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

Failure of the Contractor to maintain compliance with the requirements set forth in sub-paragraph 8.13 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Master Agreement pursuant to sub-paragraph 8.42 - Termination for Default and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

8.41 Termination for Convenience

8.41.1 County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 Upon receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall immediately:

- Stop work under the Work Order or under this Master Agreement, as identified in such notice;
- Transfer title and deliver to County all completed work and work in process; and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement or Work Order shall be maintained by the Contractor in accordance with sub-paragraph 8.37, Record Retention and Inspection/Audit Settlement.

8.42 Termination for Default

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:

- Contractor has materially breached this Master Agreement;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Master Agreement or any Work Order issued hereunder; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements of any Work Order issued under this Master Agreement, or of any obligations of this Master Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Master Agreement in whole or in part as provided in sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Master Agreement to the extent not terminated under the provisions of this sub-paragraph.

8.42.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 8.42.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor

to meet the required performance schedule. As used in this sub-paragraph 8.42.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

- 8.42.4 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.42, or that the default was excusable under the provisions of sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.41 - Termination for Convenience.
- 8.42.5 The rights and remedies of the County provided in this sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.43 Termination for Improper Consideration

- 8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Master Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 8.43.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.44 Termination for Insolvency

- 8.44.1 The County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor shall be

deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the County provided in this subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Master Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.46 Termination for Non-Appropriation of Funds

Notwithstanding any other provision of this Master Agreement, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Master Agreement during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Master Agreement in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Master Agreement, then this Master Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.47 Validity

If any provision of this Master Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this

Master Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 Waiver

No waiver by the County of any breach of any provision of this Master Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Master Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this subparagraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.49 Warranty Against Contingent Fees

8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Master Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this Master Agreement and, at its sole discretion, deduct from the Master Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.50 Warranty of Compliance with County's Defaulted Property Tax Reduction Program

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Master Agreement will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.51 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.50 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Master Agreement. Without limiting the rights and

remedies available to County under any other provision of this Master Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Master Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

8.52 Time off For Voting

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.53 Compliance with County's Zero Tolerance Policy on Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Master Agreement. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Master Agreement.

8.54 Intentionally Omitted

8.55 Compliance with Fair Chance Employment Hiring Practices

Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in California Government Code Section 12952. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

8.56 Compliance with the County Policy of Equity

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

8.57 Prohibition from Participation in Future Solicitation(s)

A Proposer, or a Contractor or its subsidiary or Subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision shall result in the disqualification of the Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract. This provision shall survive the expiration, or other termination of this Agreement.

8.58 COVID-19 Vaccinations of County Contractor Personnel

1. At Contractor's sole cost, Contractor shall comply with Chapter 2.212 (COVID-19 Vaccinations of County Contractor Personnel) of County Code Title 2 - Administration, Division 4. All employees of Contractor and persons working on its behalf, including but not limited to, Subcontractors of any tier (collectively, "Contractor Personnel"), must be fully vaccinated against the novel coronavirus 2019 ("COVID-19") prior to (1) interacting in person with County employees, interns, volunteers, and commissioners ("County workforce members"), (2) working on County owned or controlled property while performing services under this Contract,

and/or (3) coming into contact with the public while performing services under this Contract (collectively, "In-Person Services").

2. Contractor Personnel are considered "fully vaccinated" against COVID-19 two (2) weeks or more after they have received (1) the second dose in a 2-dose COVID-19 vaccine series (e.g. Pfizer-BioNTech or Moderna), (2) a single-dose COVID-19 vaccine (e.g. Johnson and Johnson [J&J]/Janssen), or (3) the final dose of any COVID-19 vaccine authorized by the World Health Organization ("WHO").
3. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated by confirming Contractor Personnel is vaccinated through any of the following documentation: (1) official COVID-19 Vaccination Record Card (issued by the Department of Health and Human Services, CDC or WHO Yellow Card), which includes the name of the person vaccinated, type of vaccine provided, and date of the last dose administered ("Vaccination Record Card"); (2) copy (including a photographic copy) of a Vaccination Record Card; (3) Documentation of vaccination from a licensed medical provider; (4) a digital record that includes a quick response ("QR") code that when scanned by a SMART HealthCard reader displays to the reader client name, date of birth, vaccine dates, and vaccine type, and the QR code confirms the vaccine record as an official record of the State of California; or (5) documentation of vaccination from Contractors who follow the CDPH vaccination records guidelines and standards. Contractor shall also provide written notice to County before the start of work under this Contract that its Contractor Personnel are in compliance with the requirements of this section. Contractor shall retain such proof of vaccination for the document retention period set forth in this Contract, and must provide such records to the County for audit purposes, when required by County.
4. Contractor shall evaluate any medical or sincerely held religious exemption request of its Contractor Personnel, as required by law. If Contractor has determined that Contractor Personnel is exempt pursuant to a medical or sincerely held religious reason,

the Contractor must also maintain records of the Contractor Personnel's testing results. The Contractor must provide such records to the County for audit purposes, when required by County. The unvaccinated exempt Contractor Personnel must meet the following requirements prior to (1) interacting in person with County workforce members, (2) working on County owned or controlled property while performing services under this Contract, and/or (3) coming into contact with the public while performing services under this Contract:

- a. Test for COVID-19 with either a polymerase chain reaction (PCR) or antigen test has an Emergency Use Authorization (EUA) by the FDA or is operating per the Laboratory Developed Test requirements by the U.S. Centers for Medicare and Medicaid Services. Testing must occur at least weekly, or more frequently as required by County or other applicable law, regulation or order.
 - b. Wear a mask that is consistent with CDC recommendations at all times while on County controlled or owned property, and while engaging with members of the public and County workforce members.
 - c. Engage in proper physical distancing, as determined by the applicable County department that the Contract is with.
5. In addition to complying with the requirements of this section, Contractor shall also comply with all other applicable local, departmental, State, and federal laws, regulations and requirements for COVID-19. A completed Exhibit G (COVID-19 Certification of Compliance) is a required part of any agreement with the County.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

- 9.1.1 Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records/patient information. Accordingly, Contractor shall instruct its officers, employees,

and agents that they are not to pursue, or gain access to, patient medical records/patient information for any reason whatsoever.

- 9.1.2 Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Contractor or its officers, employees, and agents, may have inadvertent access to patient medical records/patient information. Contractor understands and agrees that neither it nor its officers, employees, or agents, are to take advantage of such access for any purpose whatsoever.
- 9.1.3 Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify Director that such access has been gained immediately, or upon the first reasonable opportunity to do so. In the event of any access, whether inadvertent or intentional, Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions, claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Contractor's or its officers', employees', or agents', access to patient medical records/patient information. Contractor agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

9.2 Local Small Business Enterprise (LSBE) Preference Program

- 9.2.1 This Master Agreement is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 9.2.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.
- 9.2.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.
- 9.2.4 If the Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect

or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the Master Agreement; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement award.

9.3 Ownership of Materials, Software and Copyright

- 9.3.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's work pursuant to this Master Agreement. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's work under this Master Agreement.
- 9.3.2 During the term of this Master Agreement and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Master Agreement. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Master Agreement, any and all such working papers and all information contained therein.
- 9.3.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Master Agreement, which Contractor desires to use

hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.

- 9.3.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 9.3.5 Notwithstanding any other provision of this Master Agreement, County will not be obligated to Contractor in any way under sub-paragraph 9.3.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by sub-paragraph 9.3.3 or for any disclosure which County is required to make under any state or federal law or order of court.
- 9.3.6 All the rights and obligations of this sub-paragraph 9.3 shall survive the expiration or termination of this Master Agreement.

9.4 Patent, Copyright and Trade Secret Indemnification

- 9.4.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Master Agreement. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.
- 9.4.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.4.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

9.5 Intentionally Omitted

9.6 Social Enterprise (SE) Preference Program

9.6.1 This Master Agreement is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

9.6.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.

9.6.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.

9.6.4 If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, Contractor shall:

1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;

2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the Master Agreement; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement award.

9.7 Intentionally Omitted

9.8 Disabled Veteran Business Enterprise (DVBE) Preference Program

- 9.8.1 This Master Agreement is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.
- 9.8.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 9.8.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.
- 9.8.4 If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, Contractor shall:
 1. Pay to the County any difference between the Master Agreement amount and what the County's costs would

have been if the Master Agreement had been properly awarded;

2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the Master Agreement; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

Notwithstanding any other remedies in this Master Agreement, the above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement award.

ENERGY SUPPORT SERVICES

duly authorized officer, this _____ day of _____, 20____.

COUNTY OF LOS ANGELES

By _____
Director
Internal Services Department

By _____
Contractor

_____ Tax Identification Number

Signed: _____

Printed: _____

Title: _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
Acting County Counsel

By _____
Deputy County Counsel

ENERGY SUPPORT SERVICES MASTER AGREEMENT

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- B CONTRACTOR'S ADMINISTRATION**
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COUNTY'S ADMINISTRATION

MASTER AGREEMENT NO. _____

WORK ORDER NO. _____

COUNTY MASTER AGREEMENT PROJECT DIRECTOR (MAPD):

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

COUNTY PROJECT DIRECTOR:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

COUNTY WORK ORDER DIRECTOR:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

COUNTY PROJECT MANAGER:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME

MASTER AGREEMENT NO. _____

WORK ORDER NO. _____

CONTRACTOR'S PROJECT DIRECTOR:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Notices to Contractor shall be sent to the following address:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number**GENERAL CERTIFICATION**

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|------------------------------|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 1 of 3

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 3

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 3 of 3

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

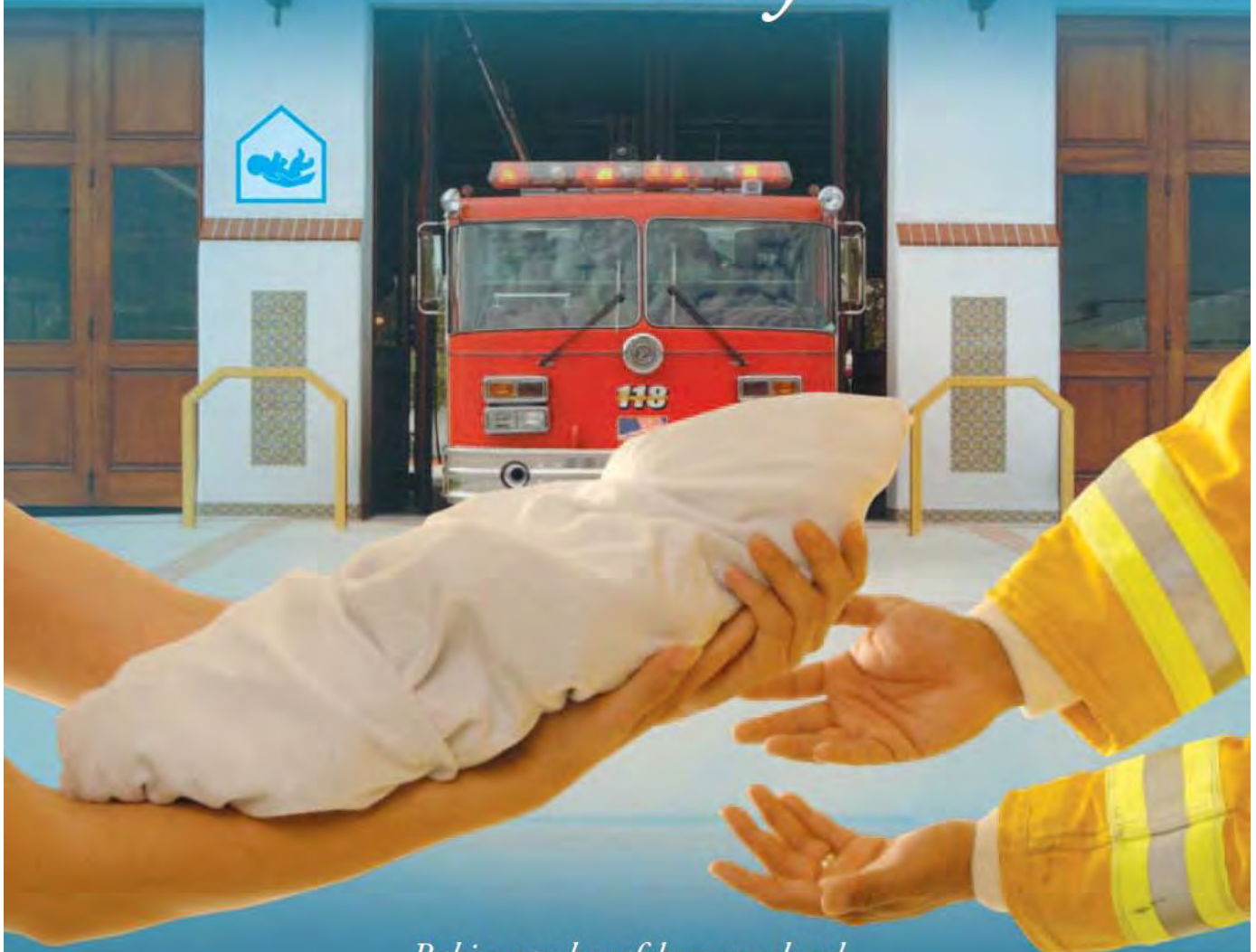
“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

Safely Surrendered *Baby Law*



*Babies can be safely surrendered
to staff at any hospital or fire station in Los Angeles County*

No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

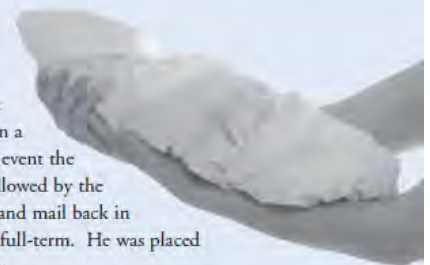
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



SAMPLE WORK ORDER FORMATS

F1 Time and Materials Basis

F2 Fixed Price Per Deliverable Basis

A STATEMENT OF WORK SHALL BE ATTACHED TO EACH INDIVIDUAL WORK ORDER

**ENERGY SUPPORT SERVICES
MASTER AGREEMENT WORK ORDER
(TIME AND MATERIALS BASIS)**

(CONTRACTOR NAME)

Work Order No. _____ County Master Agreement No. _____

Project Title: _____

Period of Performance: _____

County Requesting Department: _____

County Project Director: _____

County Manager/Supervisor: _____

I. GENERAL

Contractor shall satisfactorily perform all Services detailed in the Statement of Work attached hereto as Exhibit ___, on a time and materials basis, in compliance with the terms and conditions of Contractor's Master Agreement identified above.

II. PERSONNEL

Contractor shall provide the below-listed personnel whose labor rates are as shown:

Skill Category _____
Name _____ @ \$_____/hour.
Name _____ @ \$_____/hour.

III. PAYMENT

A. The Total Maximum Amount that County shall pay Contractor for all Services to be provided under this Work Order shall not exceed _____ Dollars (\$_____).

B. Contractor shall invoice County only for hours actually worked, in accordance with the terms and conditions of Contractor's Master Agreement. Contractor shall be responsible for limiting the number of hours worked by Contractor Personnel under this Work Order, not to exceed the Total Maximum Amount in III.A, above.

C. Contractor shall satisfactorily perform and complete all required Services in accordance with Exhibit __ (Statement of Work) notwithstanding the fact that total payment from County shall not exceed the Total Maximum Amount.

Work Order No. _____ County Master Agreement No. _____

D. CONTRACTOR shall submit all invoices under this Work Order to:

IV. SERVICES

In accordance with Master Agreement Subparagraph 3.3, Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Work Order, and/or that utilizes personnel not specified in this Work Order, and/or that exceeds the Total Maximum Amount of this Work Order, and/or that goes beyond the expiration date of this Work Order.

ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS WORK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

Contractor's signature on this Work Order document confirms Contractor's awareness of and agreement with the provisions of Subparagraph 3.3 of the Master Agreement, which establish that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

- A. That is not specified in this Work Order, and/or
- B. That utilizes personnel not specified in this Work Order, and/or
- C. That exceeds the Total Maximum Amount of this Work Order, and/or
- D. That goes beyond the expiration date of this Work Order.

REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY COUNTY PERSONNEL WHATSOEVER.

CONTRACTOR

COUNTY OF LOS ANGELES

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**ENERGY SUPPORT SERVICES
MASTER AGREEMENT WORK ORDER
(FIXED PRICE PER DELIVERABLE BASIS)**

(CONTRACTOR NAME)

Work Order No. _____ County Master Agreement No. _____

Project Title: _____

Period of Performance: _____

County Requesting Department: _____

County Project Director: _____

County Manager/Supervisor: _____

I. GENERAL

Contractor shall satisfactorily perform all the tasks and provide all the deliverables detailed in the Statement of Work attached hereto as Exhibit __, on a fixed price per deliverable basis, in compliance with the terms and conditions of Contractor's Master Agreement.

II. PERSONNEL

Contractor shall provide the below-listed personnel:

Skill Category: _____

Name: _____

Name: _____

Name: _____

III. PAYMENT

A. The Total Maximum Amount that County shall pay Contractor for all deliverables to be provided under this Work Order is shown below:

| Deliverable | Maximum Amount |
|-----------------------------|----------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| Total Maximum Amount: _____ | |

Work Order No. _____ County Master Agreement No. _____

B. Contractor shall satisfactorily provide and complete all required deliverables in accordance with Exhibit ___ (Statement of Work) notwithstanding the fact that total payment from County for all deliverables shall not exceed the Total Maximum Amount in III.A, above.

C. Contractor shall submit all invoices under this Work Order to:

IV. SERVICES

In accordance with Master Agreement Subparagraph 3.3, Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Work Order, and/or that utilizes personnel not specified in this Work Order, and/or that exceeds the Total Maximum Amount of this Work Order, and/or that goes beyond the expiration date of this Work Order.

ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS WORK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

Contractor's signature on this Work Order document confirms Contractor's awareness of and agreement with the provisions of Subparagraph 3.3 of the Master Agreement, which establish that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

- A. That is not specified in this Work Order, and/or
- B. That utilizes personnel not specified in this Work Order, and/or
- C. That exceeds the Total Maximum Amount of this Work Order, and/or
- D. That goes beyond the expiration date of this Work Order.

REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY COUNTY PERSONNEL WHATSOEVER.

CONTRACTOR

COUNTY OF LOS ANGELES

By: _____

BY: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT G

FORMS REQUIRED FOR EACH WORK ORDER **BEFORE WORK BEGINS**

- G1 CERTIFICATION OF EMPLOYEE STATUS
- G2 CERTIFICATION OF NO CONFLICT OF INTEREST
- G3 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT
- G4 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND
CONFIDENTIALITY AGREEMENT

FORMS REQUIRED FOR EACH WORK ORDER BEFORE WORK BEGINS

Applicability of the forms below is based on the type of contract.

COVID-19 COMPLIANCE

COVID-19 Vaccination Certification of Compliance is applicable to Contracts where Contractor's employees 1) Interact in-person with County workforce, 2) Work onsite at County-owned, or controlled facilities/property while performing services under a Contract with the County; or 3) Come into contact with the public while performing in-person services under a Contract with the County.

G COVID-19 VACCINATION CERTIFICATION OF COMPLIANCE

CERTIFICATIONS

This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.

G1 CERTIFICATION OF EMPLOYEE STATUS

G2 CERTIFICATION OF NO CONFLICT OF INTEREST

NON-IT CONTRACTS

A determination must be made whether the Contractor will complete a Confidentiality Agreement on behalf of its employees or whether the Contractor's employees and non-employees will complete the Confidentiality Agreements individually.

G3 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

OR

G4 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

G5 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

OR

IT CONTRACTS

A contract involving Information Technology (IT) services includes Copyright Assignment language whereas a non-IT Contract omits the Copyright Assignment language.

G3-IT CONTRACTOR ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

OR

G4-IT CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

G5-IT CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT

COVID-19 Vaccination Certification of Compliance
Urgency Ordinance, County Code Title 2 – Administration, Division 4 – Miscellaneous –
Chapter 2.212 (COVID-19 Vaccinations of County Contractor Personnel)

I, _____, on behalf of _____, (the
 “Contractor”), certify that on County Contract _____ [ENTER
 CONTRACT NUMBER AND NAME]:

_____ All Contractor Personnel* on this Contract are fully vaccinated as required by the
 Ordinance.

_____ Most Contractor Personnel* on this Contract are fully vaccinated as required by the
 Ordinance. The Contractor or its employer of record, has granted a valid medical or religious
 exemption to the below identified Contractor Personnel. Contractor will certify weekly that the
 following unvaccinated Contractor Personnel have tested negative within 72 hours of starting their
 work week under the County Contract, unless the contracting County department requires
 otherwise. The Contractor Personnel who have been granted a valid medical or religious
 exemption are [LIST ALL CONTRACTOR PERSONNEL]:

*Contractor Personnel includes subcontractors.

 I have authority to bind the Contractor, and have reviewed the requirements above and
 further certify that I will comply with said requirements.

 Signature

 Date

 Title

 Company/Contractor Name

**ENERGY SUPPORT SERVICES
MASTER AGREEMENT WORK ORDER**

CERTIFICATION OF EMPLOYEE STATUS

(Note: This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.)

CONTRACTOR NAME

Work Order No. _____ County Master Agreement No. _____

I CERTIFY THAT: (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) this organization's employee(s); (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below for the entire time period covered by the attached Work Order.

EMPLOYEES

1. _____
2. _____
3. _____
4. _____

I declare under penalty of perjury that the foregoing is true and correct.

Signature of Authorized Official

Printed Name of Authorized Official

Title of Authorized Official

Date

**ENERGY SUPPORT SERVICES
MASTER AGREEMENT WORK ORDER**

CERTIFICATION OF NO CONFLICT OF INTEREST

(Note: This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.)

CONTRACTOR NAME

Work Order No. _____ County Master Agreement No. _____

Los Angeles County Code Section 2.180.010.A provides as follows:

“Certain contracts prohibited.

- A. Notwithstanding any other section of this code, the county shall not contract with, and shall reject any bid or proposal submitted by, the persons or entities specified below, unless the board of supervisors finds that special circumstances exist which justify the approval of such contract:
1. Employees of the county or of public agencies for which the board of supervisors is the governing body;
 2. Profit-making firms or businesses in which employees described in subdivision 1 of subsection A serve as officers, principals, partners, or major shareholders;
 3. Persons who, within the immediately preceding 12 months, came within the provisions of subdivision 1 of subsection A, and who:
 - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
 - b. Participated in any way in developing the contract or its service specifications; and
 4. Profit-making firms or businesses in which the former employees, described in subdivision 3 of subsection A, serve as officers, principals, partners, or major shareholders.”

Contractor hereby declares and certifies that no Contractor Personnel, nor any other person acting on Contractor's behalf, who prepared and/or participated in the preparation of the bid or proposal submitted for the Work Order specified above, is within the purview of County Code Section 2.180.010.A, above.

I declare under penalty of perjury that the foregoing is true and correct.

Signature of Authorized Official

Printed Name of Authorized Official

Title of Authorized Official

Date

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.)

Contractor Name _____

Work Order No. _____

County Master Agreement No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master Agreement with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced Master Agreement.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced Master Agreement. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Master Agreement between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced Master Agreement. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.)

Contractor Name _____ Non-Employee Name _____

Work Order No. _____ County Master Agreement No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master Agreement with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced Master Agreement. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced Master Agreement.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced Master Agreement. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced Master Agreement is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future Master Agreement.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Master Agreement between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced Master Agreement. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this Master Agreement or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

INTENTIONALLY OMITTED

INTENTIONALLY OMITTED

SUBSEQUENT EXECUTED WORK ORDERS

INTENTIONALLY OMITTED

INTENTIONALLY OMITTED

ENERGY SUPPORT SERVICES MASTER AGREEMENT (ESSMA)

CATEGORIES

1.1.1 Rates and Analytical Support

- Rate analysis and modeling.
- Energy market research and analysis.
- Budget development and forecasting.
- Tariff and utility bill review and auditing.
- Strategic plan development, support.
- Other technical consulting.

1.1.2 Power Plant and Cogeneration

- Feasibility studies and model development.
- Preliminary design support.
- Environmental regulatory compliance.
- Safety regulatory compliance.
- Risk assessment and management.

1.1.3 Energy Efficiency (EE)

- Utility conservation programs - review, analysis and study.
- Development and implementation of County EE programs.
- Measurement and Verification of County EE programs.
- Facility audits.
- Facility benchmark development.
- Technical consulting on EE matters.
- Solar Consulting: Project development for both Photovoltaic and Thermal Power Purchase Agreement (PPA) - Consulting and review, Request for Proposals (RFP) - Document drafting and review, Facility assessment and financial modeling.

1.1.4 Distributed Energy Resources (DER)

- Utility DER programs - review, analysis and study.
- Development and implementation of County DER programs that include but not limited to Demand Response, Distributed generation, storage and or dynamic EVSE infrastructure.
- Measurement and Verification of County DER programs that include but not limited to DR, Distributed generation, storage and or dynamic EVSE infrastructure.
- Facility DER audits.
- Facility benchmark development.
- Technical consulting on DER matters.
- Solar Consulting: Project development for both Photovoltaic and Thermal Power Purchase Agreement (PPA) or ESCO- Consulting and review, Request for Proposals (RFP) - Document drafting and review, Facility assessment and financial modeling.
- Storage Consulting: Project development for both Photovoltaic and Thermal Power Purchase Agreement (PPA) or ESCO- Consulting and review, Request for Proposals (RFP) - Document drafting and review, Facility assessment and financial modeling.

1.1.5 Electric Vehicle (EV) and EV Supply Equipment (EVSE)

- Utility, State and Federal EV programs - review, analysis and study.
- Development and implementation of County EV and EVSE programs.
- Measurement and Verification of County EV and EVSE programs.
- Technical consulting on EV and EVSE matters.
- EVSE Consulting: Project development, document drafting and review.
- Facility assessment and financial modeling.

1.1.6 Legislation and Regulation Support

- State and federal legislation review, analysis and impact assessment.
- Review and analysis of regulatory agencies rules and regulations.
- Advice on legislative and regulatory issues.
- Represent County at legislative and regulatory proceedings.
- Draft and submit County comments in proceedings.
- Represent County at meetings on legislative and regulatory issues.

1.1.7 Commissioning and Retro-Commissioning

- Facility audits.
- Facility energy consumption benchmark reporting.
- Facility energy consumption systems operations modeling.
- Programming facility HVAC system operations.
- Making minor repairs to HVAC system equipment and controls.

1.1.8 Utility Contracts/Agreements Support

- Energy Contracts review and development.
- Utility franchise analysis and negotiations support.
- Commodity procurement consulting.
- Risk management analysis.
- Joint Venture/Joint Powers development and support.

1.1.9 Categorizing, Recording, and Reporting Greenhouse Gas Emissions

- Development and implementation of approach, methodology, mechanisms, and procedures to capture, inventory and report greenhouse gas emission data.
- Advise and assist on the transition from an initial reporting to long-term capture and reporting of greenhouse gas emissions.
- Advise on methodology to comply with applicable registry's/agency's registration/reporting protocol.
- Develop strategies for refining greenhouse gas emission data recovery.
- Certify reporting in accordance with agency (e.g., California Climate Action Registry) rules and regulations.

1.1.10 Environmental Programs Development

- Provide support in developing part or all of an organizational environmental program aimed at helping County facilities become more energy efficient, proficient at reducing source waste and diverting waste streams, more sustainable in building operations and maintenance, and certified per green building standards (e.g. LEED, Build it Green, Environmental Regulatory Compliance, and others).

1.1.11 Environmental Programs Development for Communities

- Provide support in developing part or all of an organizational environmental program aimed at helping County communities become more sustainable, develop Climate Action Programs, and implement energy efficient and renewable resource projects.
- Provide public education, marketing, and outreach for the environmental programs.
- Provide program administration for municipal financing programs under Assembly Bill 811 and/or other financing models.

1.1.12 Energy and Environmental Grant Writer

Prepare competitive grant applications related to projects and programs that affect energy and environmental issues such as air and water quality, water supply and conservation, greenhouse gas emissions, energy, parks and green space multi-modal transportation, and climate change.

Services that may be required but are not limited to the following:

- Prepare competitive grant applications including scope of work with goals, tasks, purpose, need, benefits, and deliverables, budget, schedules and timelines, photographs and maps, and secure letters of support.
- Transportation may include but is not limited to conversion to alternate fuels vehicles, electrification of fleet, electric vehicle infrastructure installation and plan.
- Energy may include but is not limited to, energy efficiency, retrofits, recto- commissioning of buildings, and renewal energy which include solar initiatives and projects.

1.1.13 Energy and Environmental Project Manager

- Create a template Project Management Plan document for energy and environmental Capital Improvement Projects.
- Create and develop Project Management Plans for energy and environmental Capital Improvement Projects.
- Prepare Periodic Project Progress Reports (Monthly Progress Report -Weekly status reports). Determine and Analyze Project critical path.
- Attend and participate in energy and environmental project status meetings. Analyze and Forecast Project Schedule Reports.
- Prepare and/or assist in preparing schedules both independently and team environments. Prepare recovery plans, coordinating schedule from contractors and incorporate the information into the overall project master schedule.
- Establish effective communication with energy and environmental project team members and supporting them with required information about Project Status.
- Manage information and data within various software and databases.
- Gather project financial information and data form key project stakeholders.
- Analyze project financial trends by comparing budget against actual and forecast data; provide recommendations and guidance to the

Project Manager.

- Assist energy and environmental Management and Project Managers with implementing change management strategies, policies and procedures.
- Provide support to the project manager and team, plan meetings, organize project logistics, maintain project records and interface with internal and external stakeholders.

1.1.14 Energy and Environmental Field Technician

- Site Assessment and Fielding of energy and environmental projects across the County.
- Work site progress verification and quality control.
- Read and interpret CAD drawings for quality control.
- Organize and review design drawing submittals and construction drawing packages.
- Verify project permit application submittals and approvals.
- Update as-built CAD drawings per field redlines.

1.1.15 Energy and Environmental Project Analyst

- Energy and environmental project Intake, Package Preparation, Schedule Tracking, Budget Tracking, Close Out.
- Intake of new projects.
- Presenting new projects during routine energy and environmental intake meetings.
- Develop electronic project packages.
- Maintain and update project tracker(s).
- Track payroll, invoices and other job records; handle administrative paperwork under close supervision of County's EMD projects staff.
- Track energy and environmental project costs.
- Ensure proper documentation for energy and environmental project close-out.
- Confirm final accounting and project close-out.
- Understanding of MS Excel, MS Visio and MS Project.

1.1.16 Energy and Environmental Workforce Education, Development and Training

- Provide support in developing part or all of a workforce educational & training (WE&T) program aimed at helping County communities members enter high-road/high quality employment and advancing salary growth.
- Provide public education, marketing, and outreach for the WE&T programs.
- Provide program administration for WE&T programs and/or other training models.
- Provide wrap around services for public workforce programs.
- Develop partnerships with CBO's, industry employers, workforce boards, other WE&T providers and unions.
- Coordinate with local community colleges and assist development of curriculum needs.
- Provide workforce placement support.

1.1.17 Energy and Environmental External Funding Sources Management and Administration

Administer and manage grants and other external funding sources related to projects and programs that affect energy and environmental issues such as air and water quality, water supply and conservation, greenhouse gas emissions, energy, parks and green space, multi-modal transportation, green jobs workforce development and training and climate change.

Services that may be required but are not limited to the following:

- Support County managers in the negotiation and execution of agreements with funding agencies (Federal, state, and others), program implementers (consultants, public entities, and others), funding administrators/fiscal agents of funding agencies (investor-owned utilities, others), third party recipients of funds (other public agencies, others).
- Manage and ensure terms/conditions/requirements/scope of agreements, work orders and other enabling documents are met.
- Develop and manage program budget within County/department/other budget cycle. Maintain program budgets and spend plans. Manage and control budgets and spend plans of program implementers.
- Review invoices for County management to review and approve from program implementers, third party funding recipients. Track encumbrance, payment and estimated actuals.
- Manage and administer program changes in scope and budget.
- Ensure funding agency, funding administrator/fiscal agents of funding agencies, regulatory and other program reporting requirements are satisfied.
- Represent program, program administration, program governance at appropriate public/private/County/other venues. Provide support to County personnel for onsite monitoring visits and audits.
- Monitor and track performance metrics. Provide analytical support to identify progress against program milestones. Identify issues and provide recommendations for course correction if necessary.

ENERGY SUPPORT SERVICES MASTER AGREEMENTS

List of Qualified Vendors:

1. ARC Alternatives
2. Center for Sustainable Energy
3. Emerald Cities Collaborative
4. Energy Infrastructure Partners
5. Evergreen Economics
6. Faith Com Inc.
7. Gladstein, Neandross & Associates LLC
8. Green Light Labs, Inc.
9. Grounded Research and Consulting, LLC
10. ICF Resources, LLC
11. ILLUME Advising LLC
12. J.B.A. Consulting Engineers, Inc. dba NV5 Consultants
13. National Capitalism Solutions, Inc.
14. The Energy Coalition
15. TRC Engineers, Inc.
16. Yorke Engineering, LLC

CURRENT ENERGY SUPPORT SERVICES MASTER AGREEMENTS

WORK ORDERS TO BE TRANSFERRED TO NEW MASTER AGREEMENT

| Contractor | Master Agreement Number | Work Order | Current End Date | Expected End Date |
|--|--------------------------------|---|-------------------------|--------------------------|
| Emerald Cities Collaborative, Inc. | I104433 | ESS1025: Consultant Services for Workforce Development and Training Program | 12/19/22 | 05/27/25 |
| Gladstein, Neandross & Associates, LLC | I10620 | ESS1031: Services for Energy and Environmental Grant Writing and Development Clean and Alternative Transportation | 12/19/22 | 06/30/22 |
| Green Light Labs, Inc. | I10606 | ESS1027: Consultant Services for Technology & Programs to Accelerate EV Adoption | 12/19/22 | 12/31/23 |
| Grounded Research and Consulting, LLC | I10608 | ESS1028: Consultant Services for Evaluation, Measurement, and Verification of Energy Efficiency Programs | 12/19/22 | 09/30/25 |
| ICF Resources, LLC | I104420 | ESS1019: Consultant Services for Implementing SoCalREN Residential Programs | 12/19/22 | 08/31/24 |
| | | ESS1026 R1: Consultant Services for Administering the SoCalREN | 12/19/22 | 07/08/25 |

| | | | | |
|------------------------------------|---------|---|----------|----------|
| Natural Capitalism Solutions, Inc. | I10685 | ESS1033: Services for Energy and Environmental Grant Writing and Development Renewable Energy, Energy Storage, and Microgrids | 12/19/22 | 06/30/22 |
| The Energy Coalition | I104421 | ESS1022A: SoCalREN Public Agency Energy Efficiency Project Delivery Program | 12/19/22 | 08/31/24 |
| | | ESS1022B: SoCalREN Public Agency Distributed Energy Resources DAC Project Delivery Program | 12/19/22 | 08/31/24 |
| | | ESS1022C: SoCalREN Public Agency Normalized Metered Energy Consumption Program | 12/19/22 | 08/31/24 |
| | | ESS1022D: SoCalREN Public Agency Revolving Loan Fund Program | 12/19/22 | 08/31/24 |
| | | ESS1024: Implementation of SoCalREN BMCTA Sub-Program | 12/19/22 | 12/31/23 |
| | | ESS1026 R2: Consultant Services for Administering the SoCalREN (Reporting) | 12/19/22 | 07/08/25 |
| Yorke Engineering, LLC | I104418 | ESS1030: Compliance Services at Various County Facilities | 12/19/22 | 08/31/24 |

Community Business Enterprise Program (CBE) Information

| FIRM/ORGANIZATION INFORMATION* | | ARC Alternatives | Center for Sustainable Energy | Emerald Cities Collaborative | Energy Infrastructure Partners | Evergreen Economics | Faith Com Inc. | Gladstein, Neandross & Associates LLC | Green Light Labs, Inc. | Grounded Research and Consulting, LLC | ICF Resources, LLC | ILLUME Advising LLC | J.B.A. Consulting Engineers, Inc. dba NV5 Consultants | National Capitalism Solutions, Inc. | The Energy Coalition | TRC Engineers, Inc. | Yorke Engineering, LLC |
|---|---------------------------|------------------|-------------------------------|------------------------------|--------------------------------|---------------------|----------------|---------------------------------------|------------------------|---------------------------------------|---------------------------|---------------------------|---|-------------------------------------|-----------------------|---------------------|---------------------------|
| BUSINESS STRUCTURE | | Corporation | Nonprofit Corporation | Nonprofit exempt corporation | Domestic LLC | Corporation | Corporation | Limited Liability Company | Corporation | Limited Liability Company | Limited Liability Company | Limited Liability Company | Corporation | Corporation | Nonprofit Corporation | Corporation | Limited Liability Company |
| RACE/ETHNIC COMPOSITION | | | | | | | | | | | | | | | | | |
| OWNERS / ASSOCIATE PARTNERS | Black/African American | 0 | 0 | 0 | 4 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| | Hispanic/Latino | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| | Asian or Pacific Islander | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 1 | 1 | N/A | 0 |
| | American Indian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | N/A | 0 |
| | Filipino | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | N/A | 0 |
| | White | 3 | 0 | 0 | 5 | 3 | 0 | 2 | 0 | 2 | 0 | 2 | 0 | 9 | 3 | N/A | 0 |
| Total # of Employees in California | | 5 | 171 | 10 | 0 | 7 | 19 | 84 | 1 | 2 | 431 | 1 | 12 | 8 | 68 | 853 | 75 |
| Total # of Employees (including owners) | | 6 | 240 | 27 | 10 | 20 | 19 | 90 | 2 | 2 | 6,951 | 40 | 3,362 | 11 | 70 | 6,539 | 76 |
| COUNTY CERTIFICATION | | | | | | | | | | | | | | | | | |
| CBE | | N/A | N/A | N/A | CBE | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | CBE |
| LSBE | | N/A | N/A | N/A | N/A | N/A | LSBE | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| OTHER CERTIFYING AGENCY | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

*Information as provided by vendors in reponse to the RFSQ, and subsequent requests by ISD.
On final analysis and consideration of award, vendors were selected without regard to race, creed or color.

Posting on “Doing Business with Us” website

| | | | |
|----------------------|---|----------------|----------------|
| Solicitation Number: | GCS-I10681-C | | |
| Title: | Energy Support Services Master Agreement (ESSMA) Request for Statement of Qualifications (RFSQ) | | |
| Department: | Internal Services Department | | |
| Bid Type: | Service | Bid Amount: | N/A |
| Commodity: | ENERGY CONSERVATION SERVICES (INCLUDING AUDITS) | | |
| Description: | <p>The County of Los Angeles (County), Internal Services (ISD) Department is seeking qualified companies to enter into an Energy Support Services Master Agreements (ESSMA) with the County to provide energy and environmental sustainability support services on an as-needed basis. The purpose of this Request for Statement of Qualifications (RFSQ) is to ensure the continuous provision of energy support services which are currently being provided by qualified vendors through ESSMA. ESSMA has provided a timely, efficient, and cost-effective method of enabling ISD to respond to various energy issues. The current ESSMA expires August 19, 2022. This RFSQ applies to current and prospective ESSMA vendors.</p> <p>More</p> | | |
| Open Day: | 4/26/2022 | Close Date: | Continuous |
| Contact Name: | Nazeli Albaryan | Contact Phone: | (323) 267-3182 |
| Contact Email: | nalbaryan@isd.lacounty.gov | | |

ATTACHMENT 5

| | |
|-----------------------|---|
| Amendment (1) : | Click here to view the solicitation amendments. |
| Last Changed On: | 5/19/2022 5:04:50 PM |
| Attachment File (2) : | Click here to download attachment files. |

RELEVANT CORRESPONDENCE

- 1. August 20, 2013 – Approved Board Letter for Current Energy Support Services Master Agreement**



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

"To enrich lives through effective and caring service"

Telephone: (323) 267-2101
FAX: (323) 264-7135

August 20, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 August 20, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**REQUEST FOR APPROVAL TO AWARD AND EXECUTE
ENERGY SUPPORT SERVICES MASTER AGREEMENTS AND
EXTEND FOUR EXISTING MASTER AGREEMENTS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Requesting approval to award and execute 25 master agreements for Energy Support Services Master Agreement (ESSMA) program and extend four (4) existing master agreements and related work orders.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Internal Services Department (ISD), or designee, to award and execute 25 master agreements, substantially similar to Attachment 1 to provide as-needed energy support services, following approval by your Board, for an initial term of five (5) years and with two (2) additional two-year renewal options and six (6) month-to-month extensions, with the firms listed on Attachment 2.
2. Authorize the Director of ISD or his designee to execute agreements with new vendors as the vendors become qualified throughout the term of the ESSMA; exercise the renewal option extensions; execute individual work orders; suspend or terminate agreements for the administrative convenience of the County when vendors cease to be in administrative compliance (e.g., non-performance related issues, etc.); add or delete ESSMA categories; and execute applicable contract amendments should the original contracting entity merge, be acquired, or otherwise have a change of entity.

3. Approve the extension of four (4) existing ESSMAs and related work orders as indicated on Attachment 3.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

ISD currently administers the ESSMA which provides a pool of readily available prequalified consultants to assist ISD with effectively managing the County's energy management program. The range of consulting service includes:

- Rates and Analytical Support
- Energy Efficiency Consulting
- Legislation and Regulation Support
- Power Plant and Cogeneration Consulting
- Commissioning and Retro-Commissioning
- Utility Contracts/Agreement Support
- Categorizing, Recording, and Reporting Greenhouse Gas Emissions
- Environmental Programs Development
- Environmental Programs Development for Communities

Professional services are competitively bid and awarded to prequalified consultants on a project by project basis. The current Master Agreement expires on October 15, 2013. There is a continuing need to obtain these professional energy consulting services to help ISD meet the County's energy and utility requirements. Your Board's approval of the proposed new ESSMA will allow ISD to continue to acquire energy support services for the County's energy needs. There will be an overlap in contract terms to effectuate the transition of existing work orders.

Recommendation number 3 requests authority to extend four (4) current master agreements to complete services under four (4) related work orders. The master agreements are with Bevilacqua Knight, Inc., Master Agreement (MA) No. I104079, The Energy Coalition, MA No. I104185, ICF Consulting Services, LLC., MA No. I103909, and Emerald Cities Collaborative, Inc., MA No. I104381. Extending the four (4) work orders will allow current services under the four (4) master agreements to continue without re-soliciting an ongoing project which can result in delays in services and increased costs. The work orders will not be extended or increased in dollar amounts without Board approval. Additional services will be re-solicited under the recommended ESSMA.

Implementation of Strategic Plan Goals

The recommended actions support the Countywide Strategic Plan Goal Number 1, Operational Effectiveness; Goal Number 2, Fiscal Sustainability; and Goal Number 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

Approval of the recommended agreements does not guarantee a contractor any minimum amount of work. The County only incurs an obligation as individual work orders are issued. Expenditures under this agreement will vary from year to year based on the need for energy consulting services. Funding for these expenditures are included in the Utilities Budget in the current fiscal year and in subsequent fiscal year budget requests. Expenditures will remain within the budgeted appropriation for such services. Contractors will not be asked to perform services which exceed the amounts, scope of work and dates specified in each individual work order.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The terms and conditions of the recommended master agreement have been approved as to form by County Counsel. The ESSMA includes the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs, as well as qualified GAIN/GROW participants for employment openings, and compliance with the Jury Service Ordinance, Safely Surrendered Baby Law and the Child Support program.

The proposed master agreements are not subject to the County's Living Wage Program. County Code 2.201 does not apply to the ESSMA as these agreements are for temporary and intermittent services, and the work performed by these firms is highly technical in nature.

Two of the 25 recommended firms are certified as Local Small Business Enterprises (LSBE). A summary of the CBE Firm Organization Information for the 25 recommended firms is provided in Attachment 4.

CONTRACTING PROCESS

On April 23, 2013, ISD released a Request for Statement of Qualifications (RFSQ) for Energy Support Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 5).

Representatives from 23 firms attended the proposer's conference held on May 7, 2013. Since the release of the RFSQ, 33 responses have been received and reviewed for compliance with the RFSQ. Each Statement of Qualifications (SOQ) was reviewed for compliance with the minimum requirement criteria stated in the RFSQ. Twenty-five vendors were determined to be qualified and are being recommended for the master agreement.

New vendors may qualify for a Master Agreement at any time by submitting a SOQ. These vendors will be added to the Master Agreement if they meet the ESSMA minimum requirements. Thereafter, as services are needed, qualified vendors will be solicited under competitive conditions to provide energy support services under work orders executed by ISD.

All active vendors can receive work order solicitations released in the ESSMA categories where the vendor has been pre-qualified. Work order awards will be made to the lowest priced qualified vendors unless other selection criteria are set forth in the work order solicitation. Vendors certified as a LSBE will receive the 8% LSBE preference on their individual work order bids.

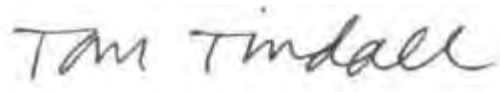
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the ESSMA will provide ISD with the ability to effectively and efficiently address the County's energy needs.

CONCLUSION

Approval of the recommended agreements will allow ISD to continue managing the County's energy management program.

Respectfully submitted,

A handwritten signature in dark ink that reads "Tom Tindall". The signature is written in a cursive, slightly slanted style.

TOM TINDALL
Director

TT:JS:YY

Enclosures

c: Chief Executive Officer
County Counsel



MASTER AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

INTERNAL SERVICES DEPARTMENT

AND

(CONTRACTOR)

FOR

**ENERGY SUPPORT SERVICES MASTER AGREEMENT
(ESSMA)**

**ENERGY SUPPORT SERVICES MASTER AGREEMENT
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**MASTER AGREEMENT
BETWEEN
COUNTY OF LOS ANGELES,
INTERNAL SERVICES DEPARTMENT
AND

FOR
ENERGY SUPPORT SERVICES**

This Master Agreement and Exhibits made and entered into this _____ day of _____, 2013 by and between the County of Los Angeles, Internal Services Department hereinafter referred to as County and _____, hereinafter referred to as Contractor, to provide Energy Support Services in the following categories: .

RECITALS

WHEREAS, the County may contract with private businesses for Energy Support Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Energy Support Services; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Director of Internal Services Department or designee to execute and administer this Master Agreement; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, and J are attached to and form a part of this Master Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Master Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Master Agreement and then to the Exhibits according to the following priority:

Standard Exhibits:

- 1.1 EXHIBIT A - County's Administration
- 1.2 EXHIBIT B - Contractor's Administration
- 1.3 EXHIBIT C - Contractor's EEO Certification
- 1.4 EXHIBIT D - Jury Service Ordinance
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- 1.8 EXHIBIT H - Contractor's Obligations As a "Business Associate" Under the Health Insurance Portability Accountability Act (HIPAA) of 1996 and the Health information Technology for Economic and Clinical Health Act (HITECH)
- 1.9 EXHIBIT I - Subsequent Executed Work Orders
- 1.10 EXHIBIT J - Energy Support Services Master Agreement Categories

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 Active Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance requirements have all been received by the Department and are valid and in effect at the time of a given Work Order award.

As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.

- 2.2 Contractor Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the Master Agreement award.
- 2.3 County Master Agreement Program Director (MAPD):** Person designated by Director with authority to negotiate and recommend all changes on behalf of County.
- 2.4 County Project Director:** Person designated by Director with authority to approve all Work Order solicitations and executions.
- 2.5 County Project Manager:** Person designated as chief contact person with respect to the day-to-day administration of the Master Agreement.
- 2.6 County's Work Order Directors:** Responsible for coordinating and monitoring the Work Order.
- 2.7 Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 Director:** Director of Internal Services Department.
- 2.9 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10 Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of, and otherwise governs, subsequent Work Orders.
- 2.11 Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the Internal Services Department.
- 2.12 Request For Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.
- 2.13 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.14 Statement of Work:** A written description of tasks and/or deliverables desired by County for a specific Work Order.
- 2.15 Work Order:** A subordinate agreement executed wholly within and subject to the provisions of this Master Agreement, for the performance of tasks and/or provision of deliverables as described in a specification or a Statement of Work. Each Work Order shall result from bids, solicited by and tendered to County, by Qualified

Contractors. Unless otherwise specified in the Work Order Availability Notice, County shall select the lowest cost, qualified bid responding to the requirements of the proposed Work Order. No work shall be performed by Contractors except in accordance with validly bid and executed Work Orders.

3.0 WORK

- 3.1 Pursuant to the provisions of this Master Agreement, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.2 Work Orders shall generally conform to either Exhibit F1 or F2, depending on whether the particular Work Order is to be performed on a time and materials basis (see Exhibit F1) or on a fixed price per deliverable basis (see Exhibit F2) as determined by County. Each Work Order shall include an attached Statement of Work, which shall describe in detail the particular project and the work required for the performance thereof. Payment for all work shall be either on a time and materials basis or on a fixed priced per deliverable basis, subject to the Total Maximum Amount specified on each individual Work Order.
- 3.3 If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount as specified in the Work Order as originally written or modified in accordance with sub-paragraph 8.1, Amendments, these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.
- 3.4 County procedures for issuing and executing Work Orders are as set forth in this sub-paragraph 3.4. Upon determination by County to issue a Work Order solicitation, County shall issue a Work Order solicitation containing a Statement of Work to all Master Agreement Qualified Contractors. Each interested Qualified Contractor so contacted shall submit a bid to the County address and within the timeframe specified in the solicitation. Failure of Contractor to provide a bid within the specified timeframe may disqualify Contractor for that particular Work Order. The County, at its sole discretion, reserves the right to cancel any Work Order Solicitation.
- 3.5 Upon completion of evaluations, County shall execute the Work Order by and through the Internal Services Department staff identified in this Master Agreement with the lowest cost Qualified Contractor unless the Work Order solicitation specifies bid evaluation criteria other than lowest cost. It is understood by Contractor that County's competitive bidding procedure may have the effect that no Work Orders are awarded to some Master Agreement Qualified

Contractors. Work Orders are usually issued for periods not extending past the end of County's current fiscal year (June 30th) with the exception of Work Orders for as needed services on a time and material basis, which may be issued to correspond with the term of the Master Agreement. However, at such time the Work Order is only extended through the end of the fiscal year, County may either rebid the Work Order tasks or extend the Work Order if technical or cost circumstances require it.

- 3.6 County estimates that selection of any Contractor shall occur within five (5) business days of completion of the evaluations of the particular Work Order bids. Following selection, all Contractors selected must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion of County's Project Director.
- 3.7 In the event Contractor defaults three times under sub-paragraph 3.6 within a given County fiscal year, then County may terminate this Master Agreement pursuant to Sub-paragraph 8.42, Termination For Default.

4.0 TERM OF MASTER AGREEMENT

- 4.1 This Master Agreement is effective upon the date of its execution by Director of Internal Services Department or his/her designee as authorized by the Board of Supervisors. This Master Agreement shall expire on five (5) years unless sooner extended or terminated, in whole or in part, as provided herein.
- 4.2 The County shall have the sole option to extend the Master Agreement term for up to two (2) additional two-year periods and six (6) month to month extensions, for a maximum total Master Agreement term of nine (9) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the Department Head or his/her designee as authorized by the Board of Supervisors.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

- 4.3 Contractor shall notify the Department when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to the Internal Services Department at the address herein provided in Exhibit A.

5.0 CONTRACT SUM

5.1 Contractor shall not be entitled to any payment by County under this Master Agreement except pursuant to validly executed and satisfactorily performed Work Orders. In each year of this Master Agreement, the total of all amounts actually expended by County hereunder ("maximum annual expenditures") may not exceed amounts allocated to the Internal Services Department by the County Board of Supervisors in their approved budgets. The County has sole discretion to expend some, all, or none of such budgeted amounts. The sum of such annual expenditures for the duration of the Master Agreement is the Contract Sum.

5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's express prior written approval.

5.3 **No Payment for Services Provided Following Expiration/Termination of Master Agreement**

Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Master Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Master Agreement.

5.4 **Invoices and Payments**

5.4.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall separately invoice County for each Work Order either: (1) monthly, if performed on a Time and Materials basis (see Exhibit F1) or (2) by deliverable, if performed on a fixed price per deliverable basis (see Exhibit F2).

5.4.2 Payment for all work shall be on either a Time and Materials basis or a fixed price per deliverable basis, subject to the

Total Maximum Amount specified in each Work Order less any amounts assessed in accordance with sub-paragraph 8.25, Liquidated Damages.

- 5.4.3 County shall not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.
- 5.4.4 All work performed by, and all invoices submitted by, Contractor pursuant to Work Orders issued hereunder must receive the written approval of County's Work Order Director, who shall be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.
- 5.4.5 Invoices under this Master Agreement shall be submitted to the address(es) set forth in the applicable Work Order.

5.4.6 Invoice Content

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in the applicable Work Order.

Time and Materials Work Order:

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- Number of hours being billed for the individual(s) and the labor rate(s) as specified in the Work Order; and
- Total amount of the invoice.

Fixed Price Per Deliverable

Each invoice submitted by Contractor shall specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- A brief description of the deliverable(s) for which payment is claimed, the respective number(s) assigned to the deliverable(s), and the individual amount being billed for each deliverable; and
- The total amount of the invoice.

5.4.7 Local Small Business Enterprises – Prompt Payment Program

Certified Local SBEs will receive prompt payment for services they provide to County departments. Prompt payment is defined as 15 calendar days after receipt of an undisputed invoice.

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following subparagraphs are designated in Exhibit A. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Master Agreement Program Director (MAPD)

The MAPD has the authority to negotiate, recommend all changes to this Master Agreement, and resolve disputes between the Internal Services Department and Contractor.

6.2 County's Project Director

The County's Project Director, or designee, is the approving authority for individual Work Order solicitations and executions.

6.3 County's Work Order Director

A Work Order Director will be assigned for each Work Order by County's Project Director.

6.3.1 The responsibilities of the Work Order Director include:

- ensuring that the technical standards and task requirements articulated in the individual Work Order are satisfactorily complied with, and shall provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Contractor to perform Work Orders;
- coordinating and monitoring the work of Contractor personnel assigned to the Work Order Director's specific projects, and for ensuring that this Master Agreement's objectives are met;
- monitoring, evaluating and reporting Contractor performance and progress on the Work Order;
- coordinating with Contractor's Project Manager, on a regular basis, regarding the performance of Contractor's personnel on each particular project;

- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.3.2 County's Work Order Directors are not authorized to make any changes in Work Order labor rates, dollar totals or periods of performance, or in the terms and conditions of this Master Agreement, except through formally prepared Amendments, sub-paragraph 8.1.

6.4 County's Project Manager

The County's Project Manager is County's chief contact person with respect to the day-to-day administration of this Master Agreement. The Project Manager shall prepare and issue Work Orders and any Amendments thereto, and generally be the first person for Contractor to contact with any questions.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager is designated in Exhibit B. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Work Order Directors on a regular basis with respect to all active Work Orders.

7.2 Contractor's Authorized Official(s)

7.2.1 Contractor's Authorized Official(s) are designated in Exhibit B. Contractor shall promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

7.2.2 Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

7.3 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager. Contractor shall provide County with

a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.4 Contractor's Staff Identification

- 7.4.1 All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.
- 7.4.2 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper County ID badge on their person.
- 7.4.3 Contractor shall notify the County within one business day when staff is terminated from working under this Master Agreement. Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has terminated employment with the Contractor.
- 7.4.4 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has been removed from working on the County's Master Agreement.

7.5 Background and Security Investigations

- 7.5.1 Each of Contractor's staff performing services under this Master Agreement, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.
- 7.5.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during

the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1. Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any

injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G3.
- 7.6.5 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit G4.

8.0 STANDARD TERMS AND CONDITIONS

8.1 AMENDMENTS

- 8.1.1 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Master Agreement during the term of this Master Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such orders, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by Director of Internal Services Department, or his/her designee.
- 8.1.2 The Director of Internal Services Department, or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Master Agreement. The Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement shall be prepared and executed by the Contractor and by Director of Internal Services Department, or his/her designee
- 8.1.3 **Addition of Skilled Categories/Technical Specializations**
An Amendment to the Master Agreement shall be prepared and executed by the Contractor and by ISD to add or delete Skilled Categories or Technical Specializations.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 The Contractor shall not assign its rights or delegate its duties under this Master Agreement, or both, whether in

whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Master Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Master Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Master Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Master Agreement.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Master Agreement which may result in the termination of this Master Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Master Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Master Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

- 8.4.1 Within five (5) business days after the Master Agreement effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 8.4.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.4.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.4.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.4.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.4.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.5 COMPLIANCE WITH APPLICABLE LAW

- 8.5.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.5 shall be conducted by Contractor and

performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement. The Contractor shall comply with Exhibit C - Contractor's EEO Certification.

8.7 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

8.7.1 Jury Service Program: This Master Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit D and incorporated by reference into and made part of this Master Agreement.

8.7.2 Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that

Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Master Agreement, the subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Master Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

4. Contractor's violation of this sub-paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.8 CONFLICT OF INTEREST

- 8.8.1 No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Master Agreement. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.8.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Master Agreement. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph 8.8 shall be a material breach of this Master Agreement.

8.9 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Master Agreement.

8.10 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

- 8.10.1 Should the Contractor require additional or replacement personnel after the effective date of this Master Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.
- 8.10.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.11 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.11.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

8.11.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in this Master Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.11.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the

County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.11.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment

or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.11.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.12 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely

Surrendered Baby Law” poster in a prominent position at the Contractor’s place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor’s place of business. The County’s Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.13 CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM:

8.13.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Purchase Order or Master Agreement are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.13.2 As required by the County’s Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor’s duty under this Master Agreement to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Master Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.14 COUNTY’S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor’s performance under this Master Agreement on not less than an annual basis. Such evaluation will include assessing the Contractor’s compliance with all Master Agreement terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Master Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Master Agreement or impose other penalties as specified in this Master Agreement.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

8.15 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.15.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.15.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.16 EMPLOYMENT ELIGIBILITY VERIFICATION

8.16.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Master Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.16.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Master Agreement.

8.17 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via

communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Master Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.18 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.19 FORCE MAJEURE

8.19.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.19.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.19.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise

mitigate the damages and reduce the delay caused by such force majeure event.

8.20 GOVERNING LAW, JURISDICTION, AND VENUE

This Master Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Master Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.21 INDEPENDENT CONTRACTOR STATUS

8.21.1 This Master Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.21.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Master Agreement.

8.21.4 The Contractor shall adhere to the provisions stated in subparagraph 7.6 – Confidentiality.

8.22 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs,

and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Master Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County.

8.23 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.23 and 8.24 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.23.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

Dennis Morelos
County of Los Angeles
Internal Services Department, Contracting Division
1100 N. Eastern Avenue, Room 101
Los Angeles, CA 90063
dmorelos@isd.lacounty.gov
Fax: (323) 415-8664

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.23.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured

endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.23.3 Cancellation of or Changes in Insurance

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

8.23.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.23.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.23.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.23.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of

recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.23.8 Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.23.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.23.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.23.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services

Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.23.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.23.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.24 INSURANCE COVERAGE

8.24.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

| | |
|--|-------------|
| General Aggregate: | \$2 million |
| Products/Completed Operations Aggregate: | \$1 million |
| Personal and Advertising Injury: | \$1 million |
| Each Occurrence: | \$1 million |

8.24.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement

form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

The following insurance coverage may be required consistent with the Scope of Work of an individual Work Order. Evidence of this insurance requirement must be received by ISD and must be valid and in effect at the time of a given Work Order award.

8.24.4 Professional Liability/Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25 LIQUIDATED DAMAGES

8.25.1 If, in the judgment of the Director, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Director, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Director, or his/her designee, in a written notice describing the reasons for said action.

8.25.2 If the Director determines that there are deficiencies in the performance of this Master Agreement that the Director or his/her designee, deems are correctable by the Contractor over a certain time span, the Director or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director may:

(a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or

(b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the

Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as may be specified in any Performance Requirements Summary (PRS) Charts in future Work Orders, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or

(c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.25.3 The action noted in sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Master Agreement.

8.25.4 This sub-paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Master Agreement provided by law or as specified in the PRS or sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.26 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Master Agreement provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Master Agreement, then such lower prices shall be immediately extended to the County.

8.27 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

- 8.27.2 The Contractor shall certify to, and comply with, the provisions of Exhibit C - Contractor's EEO Certification.
- 8.27.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.27.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.27 when so requested by the County.
- 8.27.7 If the County finds that any provisions of this sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County

that the Contractor has violated the anti-discrimination provisions of this Master Agreement.

8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Master Agreement, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Master Agreement.

8.28 NON EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Master Agreement shall not restrict the Department from acquiring similar, equal or like goods and/or services from other entities or sources.

8.29 NOTICE OF DELAYS

Except as otherwise provided under this Master Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Master Agreement, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County Project Manager or County Project Director is not able to resolve the dispute, the Director of Internal Services Department, or designee shall resolve it.

8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to

safely surrender a baby. The fact sheet is set forth in Exhibit E of this Master Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

8.33 NOTICES

All notices or demands required or permitted to be given or made under this Master Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits A, County's Administration and B, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Director of Internal Services Department or his/her designee shall have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.35 PUBLIC RECORDS ACT

8.35.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of

an SOQ marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

8.36 PUBLICITY

8.36.1 The Contractor shall not disclose any details in connection with this Master Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Master Agreement within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Master Agreement, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Project Director. The County shall not unreasonably withhold written consent.

8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this subparagraph 8.36 shall apply.

8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Master Agreement. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Master Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the

term of this Master Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Master Agreement. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.
- 8.37.3 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Master Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

8.38 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Master Agreement.

8.39 SUBCONTRACTING

8.39.1 The requirements of this Master Agreement may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.

8.39.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the subcontractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.39.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.

8.39.4 The Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

8.39.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.

8.39.6 The County's MAPD is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.

8.39.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest

arising through services performed hereunder, notwithstanding the County's consent to subcontract.

- 8.39.8 The Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

Dennis Morelos
County of Los Angeles
Internal Services Department, Contracting Division
1100 N. Eastern Avenue, Room 101
Los Angeles, CA 90063
dmorelos@isd.lacounty.gov
Fax: (323) 415-8664

before any subcontractor employee may perform any work hereunder.

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in sub-paragraph 8.13 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this Master Agreement pursuant to sub-paragraph 8.42 - Termination for Default and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

8.41 TERMINATION FOR CONVENIENCE

- 8.41.1 County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.
- 8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall immediately:

- Stop work under the Work Order or under this Master Agreement, as identified in such notice;
- Transfer title and deliver to County all completed work and work in process; and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement or Work Order shall be maintained by the Contractor in accordance with sub-paragraph 8.37, Record Retention and Inspection/Audit Settlement.

8.42 TERMINATION FOR DEFAULT

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:

- Contractor has materially breached this Master Agreement;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Master Agreement or any Work Order issued hereunder; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements of any Work Order issued under this Master Agreement, or of any obligations of this Master Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Master Agreement in whole or in part as provided in sub-paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Master Agreement to the extent not terminated under the provisions of this sub-paragraph.

- 8.42.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 8.42.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph 8.42.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.
- 8.42.4 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.42, or that the default was excusable under the provisions of sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.41 - Termination for Convenience.
- 8.42.5 The rights and remedies of the County provided in this sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

- 8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of

securing this Master Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.43.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.44 TERMINATION FOR INSOLVENCY

8.44.1 The County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the County provided in this subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the

Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Master Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Master Agreement, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Master Agreement during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Master Agreement in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Master Agreement, then this Master Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.47 VALIDITY

If any provision of this Master Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Master Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 WAIVER

No waiver by the County of any breach of any provision of this Master Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Master Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.49 WARRANTY AGAINST CONTINGENT FEES

8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Master Agreement upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this Master Agreement and, at its sole

discretion, deduct from the Master Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.50 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.51 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.50 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

The County is subject to the Administrative Simplification requirements of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Master Agreement, Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit H in order to provide those

services. The County and the Contractor therefore agree to the terms of Exhibit H, Contractor's Obligations as a "Business Associate" Under Health Insurance Portability AND Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) (Business Associate Agreement)

9.2 INTENTIONALLY OMITTED

9.3 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT

9.3.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's work pursuant to this Master Agreement. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's work under this Master Agreement.

9.3.2 During the term of this Master Agreement and for five (5) years thereafter, Contractor shall maintain and provide security for all Contractor's working papers prepared under this Master Agreement. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Master Agreement, any and all such working papers and all information contained therein.

9.3.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Master Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Propriety" or "Confidential" on each appropriate page of any document containing such material.

9.3.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.

9.3.5 Notwithstanding any other provision of this Master Agreement, County will not be obligated to Contractor in any

way under sub-paragraph 9.3.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by sub-paragraph 9.3.3 or for any disclosure which County is required to make under any state or federal law or order of court.

9.3.6 All the rights and obligations of this sub-paragraph 9.3 shall survive the expiration or termination of this Master Agreement.

9.4 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION

9.4.1 Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's work under this Master Agreement. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

9.4.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.4.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

9.5 INTENTIONALLY OMITTED

9.6 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

9.6.1 This Master Agreement is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

9.6.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

9.6.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

9.6.4 If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this work order to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the work order amount and what the County's costs would have been if the work order had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10

percent (10%) of the amount of the work order; and

3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a work order award.

**AUTHORIZATION OF MASTER AGREEMENT FOR
ENERGY SUPPORT SERVICES**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Master Agreement to be executed by the Director, Internal Services Department or designee and approved by County Counsel, and Contractor has caused this Master Agreement to be executed in its behalf by its duly authorized officer, this _____ day of _____, 201_.

COUNTY OF LOS ANGELES

By _____
Tom Tindall, Director
Internal Services Department

By _____
Contractor Tax Identification Number

Signed: _____

Printed: _____

Title: _____

APPROVED AS TO FORM:

John Krattli
County Counsel

By _____
Deputy County Counsel

**ENERGY SUPPORT SERVICES MASTER AGREEMENTS (ESSMA)
QUALIFIED VENDORS**

1. ALTERNATIVE ENERGY SYSTEMS CONSULTING, INC.
2. BEVILACQUA-KNIGHT, INC.
3. CA CENTER FOR SUSTAINABLE ENERGY
4. DAVID ROSEN AND ASSOCIATES
5. DIGITAL ENERGY
6. EATON ENERGY SOLUTIONS
7. EES CONSULTING
8. ENERNOC
9. E3 GROUP
10. ICF RESOURCES, LLC.
11. JODY LONDON CONSULTING
12. MCKINSTRY ESSENTION, LLC.
13. NEWCOMB, ANDERSON & McCORMICK
14. O'RORKE, INC.
15. PARSONS ENVIRONMENTAL AND INFRASTRUCTURE GROUP, INC.
16. QUANTUM ENERGY SERVICES & TECHNOLOGIES, INC.
17. RENEWABLE FUNDING, INC.
18. ROTH ENERGY
19. SCS ENGINEERS
20. THE BENCHMARK ANALYTICAL REPORT
21. THE ENERGY COALITION
22. TTG TMAD TAYLOR & GAINES
23. YORKE ENGINEERING, LLC
24. 1 EARTH ENERGY CONSULTANTS
25. 1 EARTH MULTI-FAMILY ASSESSMENTS

**CURRENT ESSMA MASTER AGREEMENTS AND RELATED WORK ORDERS
TO BE EXTENDED**

| Vendor | Master Agreement Number | Work Order | End Date |
|---------------------------------------|--------------------------------|--|-----------------|
| Bevilacqua-Knight, Incorporated (BKI) | I104079 | E103: AB 811 Program | December 2014 |
| The Energy Coalition, Inc | I104185 | E114: Local Government Energy Efficiency | January 2015 |
| ICF Consulting Services, LLC | I103909 | E102: Consulting Services | July 2015 |
| Emerald Cities Collaborative, Inc. | I104381 | E121: Workforce Pilot Framework | December 2014 |

Community Business Enterprise Program Information

| FIRM INFORMATION* | ALTERNATIVE ENERGY SYSTEMS CONSULTING, INC. | Bevilacqua- Knight, Inc. | California Center for Sustainability Energy | DAVID ROSEN AND ASSOCIATES | DIGITAL ENERGY | EATON ENERGY SOLUTIONS | EES CONSULTING |
|------------------------------------|---|-----------------------------|--|----------------------------------|-------------------|------------------------------|-------------------|
| BUSINESS STRUCTURE | Corporation | Corporation | Non-Profit | Sole Proprietorship | Corporation | Corporation | Corporation |
| CULTURAL/ETHNIC COMPOSITION | | | | | | | |
| OWNERS/PARTNERS | | | | | | | |
| Black/African American | 0 | 0 | 0 | 0 | 0 | | 0 |
| Hispanic/Latino | 0 | 0 | 0 | 0 | 0 | | 0 |
| Asian or Pacific Islander | 1 | 0 | 0 | 0 | 1 | | 0 |
| American Indian | 0 | 0 | 0 | 0 | 0 | | 0 |
| Filipino | 0 | 0 | 0 | 0 | 0 | | 0 |
| White | 1 | 3 | 0 | 2 | 0 | | 1 |
| <i>Female (included above)</i> | 0 | 0 | 0 | 1 | 0 | | 0 |
| MANAGER | | | | | | | |
| Black/African American | 0 | 1 | 0 | 0 | 0 | | 0 |
| Hispanic/Latino | 0 | 2 | 2 | 0 | 0 | | 0 |
| Asian or Pacific Islander | 1 | 0 | 4 | 0 | 0 | | 0 |
| American Indian | 0 | 0 | 3 | 0 | 0 | | 0 |
| Filipino | 0 | 1 | 0 | 0 | 0 | | 0 |
| White | 7 | 6 | 42 | 0 | 0 | | 4 |
| <i>Female (included above)</i> | 2 | 6 | 28 | 0 | 0 | | 1 |
| STAFF | | | | | | | |
| Black/African American | 1 | 1 | 1 | 0 | 0 | | 1 |
| Hispanic/Latino | 3 | 0 | 4 | 0 | 1 | | 0 |
| Asian or Pacific Islander | 3 | 1 | 3 | 0 | 3 | | 1 |
| American Indian | 0 | 0 | 0 | 0 | 0 | | 0 |
| Filipino | 0 | 0 | 0 | 0 | 1 | | 0 |
| White | 18 | 10 | 19 | 1 | 2 | | 10 |
| <i>Female (included above)</i> | 8 | 4 | 11 | 0 | 1 | | 4 |
| Total # of Employees | 35 | 23 | 78 | 3 | 8 | | 17 |
| COUNTY CERTIFICATION | | | | | | | |
| CBE | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| LSBE | N/A | YES | N/A | N/A | N/A | N/A | N/A |
| OTHER CERTIFYING AGENCY | N/A | State | N/A | N/A | SCMSDC - MBE | N/A | N/A |

*Information as provided by vendor.

Community Business Enterprise Program Information

| FIRM INFORMATION* | ENERNOC | E3 GROUP | ICF RESOURCES | Jody London Consulting | McKinstry Essention, LLC. | NEW/COMB, ANDERSON & MCCORMICK | O'Rorke, Inc. |
|------------------------------------|-------------|----------|---------------------------|------------------------|---------------------------|--------------------------------|---------------|
| BUSINESS STRUCTURE | Corporation | LLC | Limited Liability Company | Sole Proprietorship | LLC | Corporation | Corporation |
| CULTURAL/ETHNIC COMPOSITION | | | | | | | |
| OWNERS/PARTNERS | | | | | | | |
| Black/African American | | 0 | | 0 | 0 | 0 | 0 |
| Hispanic/Latino | | 1 | | 0 | 0 | 0 | 0 |
| Asian or Pacific Islander | | 0 | | 0 | 0 | 0 | 0 |
| American Indian | | 0 | | 0 | 0 | 0 | 0 |
| Filipino | | 0 | | 0 | 0 | 0 | 0 |
| White | | 0 | | 1 | 3 | 3 | 1 |
| <i>Female (included above)</i> | | 1 | | 1 | 0 | 1 | 1 |
| MANAGER | | | | | | | |
| Black/African American | | 0 | | 0 | 3 | 0 | 0 |
| Hispanic/Latino | | 0 | | 0 | 11 | 0 | 0 |
| Asian or Pacific Islander | | 0 | | 0 | 17 | 0 | 1 |
| American Indian | | 0 | | 0 | 4 | 0 | 0 |
| Filipino | | 0 | | 0 | 0 | 0 | 0 |
| White | | 2 | | 0 | 276 | 4 | 8 |
| <i>Female (included above)</i> | | 0 | | 0 | 46 | 0 | 7 |
| STAFF | | | | | | | |
| Black/African American | | 0 | | 0 | 9 | 0 | 1 |
| Hispanic/Latino | | 0 | | 0 | 11 | 1 | 0 |
| Asian or Pacific Islander | | 0 | | 0 | 7 | 1 | 1 |
| American Indian | | 0 | | 0 | 1 | 0 | 0 |
| Filipino | | 0 | | 0 | 0 | 0 | 0 |
| White | | 0 | | 0 | 122 | 13 | 1 |
| <i>Female (included above)</i> | | 0 | | 0 | 33 | 6 | 3 |
| Total # of Employees | 717 | 3 | 4,104 | 1 | 464 | 22 | 13 |
| COUNTY CERTIFICATION | | | | | | | |
| CBE | N/A | N/A | N/A | N/A | N/A | N/A | YES - WBE |
| LSBE | N/A | N/A | N/A | YES | N/A | N/A | N/A |
| OTHER CERTIFYING AGENCY | N/A | N/A | N/A | State | N/A | N/A | N/A |

*Information as provided by vendor.

Community Business Enterprise Program Information

| FIRM INFORMATION* | Yorke Engineering | SCA Engineers, Inc. | Parsons Environmental & Infrastructure Group, Inc. | Quantum Energy Services & Technologies, Inc. | Renewable Funding LLC | ROTH ENERGY COMPANY | The Benchmark Analytical Report |
|------------------------------------|--------------------------------|---------------------|--|--|-----------------------|---------------------|---------------------------------|
| BUSINESS STRUCTURE | LLC | Corporation | Corporation | Corporation | LLC | Sole Proprietorship | Sole Proprietorship |
| CULTURAL/ETHNIC COMPOSITION | | | | | | | |
| OWNERS/PARTNERS | Black/African American | 0 | 0 | 1 | 0 | 0 | 1 |
| | Hispanic/Latino | 0 | 0 | 2 | 2 | 0 | 0 |
| | Asian or Pacific Islander | 0 | 0 | 1 | 1 | 0 | 0 |
| | American Indian | 0 | 0 | 0 | 0 | 0 | 0 |
| | Filipino | 0 | 0 | 0 | 0 | 0 | 0 |
| | White | 1 | 0 | 87 | 2 | 3 | 0 |
| | <i>Female (included above)</i> | 1 | 0 | 9 | 1 | 1 | 0 |
| MANAGER | Black/African American | 0 | 1 | 21 | 0 | 0 | 0 |
| | Hispanic/Latino | 0 | 6 | 15 | 1 | 0 | 0 |
| | Asian or Pacific Islander | 0 | 8 | 37 | 0 | 0 | 0 |
| | American Indian | 0 | 1 | 1 | 0 | 0 | 0 |
| | Filipino | 0 | 0 | 0 | 0 | 0 | 0 |
| | White | 0 | 108 | 349 | 7 | 2 | 0 |
| | <i>Female (included above)</i> | 0 | 23 | 75 | 1 | 1 | 0 |
| STAFF | Black/African American | 0 | 25 | 160 | 1 | 1 | 0 |
| | Hispanic/Latino | 0 | 81 | 101 | 3 | 1 | 0 |
| | Asian or Pacific Islander | 7 | 46 | 117 | 1 | 3 | 0 |
| | American Indian | 0 | 4 | 3 | 0 | 0 | 0 |
| | Filipino | 0 | 0 | 0 | 0 | 0 | 0 |
| | White | 18 | 486 | 791 | 5 | 11 | 1 |
| | <i>Female (included above)</i> | 10 | 206 | 330 | 4 | 6 | 0 |
| Total # of Employees | | 26 | 766 | 1686 | 23 | 21 | 2 |
| COUNTY CERTIFICATION | | | | | | | |
| CBE | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| LSBE | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| OTHER CERTIFYING AGENCY | Utilities Commission Supplier | N/A | N/A | N/A | N/A | N/A | N/A |

*Information as provided by vendor.

Community Business Enterprise Program Information

| FIRM INFORMATION* | | TTG TMAD TAYLOR & GAINES | Yorke Engineering | 1 Earth Energy/ Consultants | 1 Earth Multi- Family Assessment |
|-----------------------------|--------------------------------|--------------------------------|-------------------------------------|--------------------------------|--|
| BUSINESS STRUCTURE | | Corporation | LLC | Sole Proprietorship | Sole Proprietorship |
| CULTURAL/ETHNIC COMPOSITION | | | | | |
| OWNERS/PARTNERS | Black/African American | 1 | 0 | 1 | 1 |
| | Hispanic/Latino | 5 | 0 | 0 | 0 |
| | Asian or Pacific Islander | 14 | 0 | 0 | 0 |
| | American Indian | 1 | 0 | 0 | 0 |
| | Filipino | 2 | 0 | 0 | 0 |
| | White | 7 | 1 | 0 | 0 |
| | <i>Female (included above)</i> | 0 | 1 | 0 | 0 |
| | Black/African American | 1 | 0 | 0 | 0 |
| | Hispanic/Latino | 5 | 0 | 0 | 0 |
| | Asian or Pacific Islander | 14 | 0 | 0 | 0 |
| MANAGER | American Indian | 1 | 0 | 0 | 0 |
| | Filipino | 2 | 0 | 0 | 0 |
| | White | 7 | 0 | 0 | 0 |
| | <i>Female (included above)</i> | 9 | 0 | 0 | 0 |
| | Black/African American | 9 | 0 | 0 | 0 |
| | Hispanic/Latino | 48 | 0 | 0 | 0 |
| | Asian or Pacific Islander | 91 | 7 | 0 | 0 |
| STAFF | American Indian | 8 | 0 | 0 | 0 |
| | Filipino | 7 | 0 | 0 | 0 |
| | White | 50 | 18 | 1 | 1 |
| | <i>Female (included above)</i> | 54 | 10 | 0 | 0 |
| | Total # of Employees | 273 | 26 | 2 | 2 |
| COUNTY CERTIFICATION | | | | | |
| CBE | | N/A | N/A | N/A | N/A |
| LSBE | | N/A | N/A | N/A | N/A |
| OTHER CERTIFYING AGENCY | | Minority | Utilities Commission Supplier | N/A | N/A |

*Information as provided by vendor.

Bid Detail Information**Bid Number :** I104388**Bid Title :** Energy Support Services Master Agreement (ESSMA) RFSQ**Bid Type :** Service**Department :** Internal Services Department**Commodity :** ENERGY CONSERVATION SERVICES (INCLUDING AUDITS)**Open Date :** 4/23/2013**Closing Date :** Continuous**Bid Amount :** N/A**Bid Download :** [Available](#)

Bid Description : The Internal Services Department (ISD) is seeking qualified Vendors to enter into an Energy Support Services Master Agreements (ESSMA) with the County to provide energy support services on an as-needed basis. The purpose of this Request for Statement of Qualifications (RFSQ) is to ensure the continuous provision of energy support services which are currently being provided by qualified vendors through ESSMA. ESSMA has provided a timely, efficient, and cost-effective method of enabling ISD to respond to various energy issues. The current ESSMA expires October 15, 2013. This RFSQ applies to current and prospective ESSMA vendors.

A proposers' conference is scheduled for Tuesday, May 7, 2013, 1:00 p.m. – 3:00 p.m., at the County of Los Angeles - Internal Services Department, Conference Room G101, 1100 N. Eastern Avenue, Los Angeles, CA 90063

ISD will begin accepting SOQs beginning May 21, 2013, at 2 pm. Refer to RFSQ for complete SOQ process.

Contact Name : Dennis Morelos**Contact Phone# :** (323) 267-2239**Contact Email :** dmorelos@isd.lacounty.org**Last Changed On :** 4/23/2013 2:59:53 PM[Back to Last Window](#)

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

| | | | |
|---|---|--|---|
| CLUSTER AGENDA REVIEW DATE | 10/12/2022 | | |
| BOARD MEETING DATE | 11/1/2022 | | |
| SUPERVISORIAL DISTRICT AFFECTED | <input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th | | |
| DEPARTMENT(S) | Chief Executive Office | | |
| SUBJECT | ORDINANCE AMENDING TITLE 2 – ADMINISTRATION OF THE LOS ANGELES COUNTY CODE, RELATING TO THE ESTABLISHMENT OF THE COUNTYWIDE PRIVACY OFFICE | | |
| PROGRAM | | | |
| AUTHORIZES DELEGATED AUTHORITY TO DEPT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| SOLE SOURCE CONTRACT | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: | | |
| DEADLINES/ TIME CONSTRAINTS | N/A | | |
| COST & FUNDING | Total cost: See explanation below. \$ | | Funding source: See explanation below. |
| | TERMS (if applicable): N/A | | |
| | Explanation: The funding for the Countywide Privacy Office is included in the Fiscal Year 2022-23 Adopted Budget and expenses will be charged to the County's Insurance Budget which is allocated to the County departments. Therefore, the Countywide Privacy Office does not incur Net County Cost. | | |
| PURPOSE OF REQUEST | The proposed Ordinance amendment to Title 2 – Administration of the County Code, will add Section 2.08.080 to Title 2 – Administration of the County Code, and formally establish the Countywide Privacy Office with key roles and responsibilities. This aligns with the Board's August 9, 2022 approval of new Board Policies to establish a Countywide Privacy Program and data privacy procedures and standards to ensure the protection of County information, including Personal Information. | | |
| BACKGROUND (include internal/external issues that may exist including any related motions) | <p>Effective July 1, 2017, the Chief Executive Office assumed the responsibilities and resultant activities under the newly created Office of Privacy. This realignment follows the January 7, 2003 Board's correspondence approving the recommendation to appoint a Countywide Privacy Official (last appointed in mid-2019) and reflects the County's efforts to protect County Information from unauthorized access, use, or disclosure, and to comply with applicable privacy laws and regulations.</p> <p>On August 9, 2022, the Board approved the new "Chapter 10 – Privacy" in its Board policies, which includes the Countywide Privacy Program policies that will be overseen and implemented by the Office of Privacy. Following the guidance of the County's Audit Committee and Board Policy writing guidelines, the roles and responsibilities for the Office of Privacy will be presented to the Board to be included in the County's Ordinance, Title 2 – Administration – Division 2 – Officers, Section 2.08.080 - Information Privacy.</p> | | |
| EQUITY INDEX OR LENS WAS UTILIZED | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how: | | |
| SUPPORTS ONE OF THE NINE BOARD PRIORITIES | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how: | | |
| DEPARTMENTAL CONTACTS | Name, Title, Phone # & Email: Lillian Russell, Chief Privacy Officer (213) 351-5363 LRussell@ceo.lacounty.gov | | |



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

FESIA A. DAVENPORT
Chief Executive Officer

DRAFT

November 1, 2022

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

Dear Supervisors:

**ORDINANCE AMENDING TITLE 2 – ADMINISTRATION OF THE LOS ANGELES
COUNTY CODE, RELATING TO THE ESTABLISHMENT OF THE COUNTYWIDE
PRIVACY OFFICE
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This recommendation by the Chief Executive Officer (CEO) seeks the Board of Supervisors' (Board) approval to adopt an Ordinance amending Title 2 – Administration of the Los Angeles County Code (County Code) to add Section 2.08.080 to Title 2 – Administration of the County Code, relating to the establishment of the Countywide Privacy Office.

IT IS RECOMMENDED THAT THE BOARD:

Approve the attached Ordinance amending Title 2 – Administration of the County Code to add Section 2.08.080 to Title 2 – Administration of the County Code, relating to the establishment of the Countywide Privacy Office.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County of Los Angeles (County), as a government entity, conducts public business and is committed, to the extent allowable by law, to protect and secure County information, data, and personal information. Effective July 1, 2017, the CEO assumed the responsibilities and resultant activities under the newly created Office of Privacy. The Office of Privacy oversees and coordinates the direction, privacy, security, and policies of the County, including those that relate to Personal Information and Protected Health Information. This realignment follows the January 7, 2003, Board's correspondence approving the recommendation to appoint a Countywide Privacy Official, who was last appointed in mid-2019, and reflects the County's efforts to protect County Information from unauthorized access, use, or disclosure, and to comply with applicable privacy laws and regulations.

The proposed Ordinance amendment to Title 2 – Administration of the County Code, will add Section 2.08.080 to Title 2 – Administration of the County Code, and formally establish the Countywide Privacy Office with key roles and responsibilities. This aligns with the Board’s intentions over the past 19 years, and supports the Board’s approval from August 9, 2022, creating new Board Policies to establish a Countywide Privacy Program and data privacy procedures and standards to ensure the protection of County Information, including Personal Information. The new Board Policies created a new chapter, “Chapter 10 – Privacy.”

Section 2.08.080 to Title 2 – Administration of the County Code, will require the Chief Executive Officer to: I) have an in-house Countywide Privacy Office (also referred to as the “Office of Privacy”) to maintain, oversee, and ensure compliance with a Countywide Privacy Program and County policies pertaining to the access, use, disclosure, and protection of County Information and ensure compliance with any law or regulation that may impose obligations on the County related to County Information; II) appoint a Chief Privacy Officer, with the position maintained within the Chief Executive Office, to oversee the Countywide Privacy Office; III) provide professional guidance and advice on Countywide privacy activities to the Board, County departments, and County information privacy and information technology bodies; and IV) maintain three positions within the Countywide Privacy Office (Countywide Privacy Program Manager, Countywide HIPAA Program Manager, Countywide Privacy and HIPAA Compliance Program Manager).

Therefore, the Chief Executive Office drafted the attached proposed Ordinance amendment before the Board today.

Implementation of Strategic Plan Goals

Approval of the proposed Ordinance amendment supports the County’s Strategic Plan Goal III, Realize Tomorrow’s Government Today, by formally establishing the Countywide Privacy Office and key roles and responsibilities to implement the Countywide Privacy Program pertaining to the access, use, disclosure, and protection of County Information and Personal Information. This will further improve protection and security of County Information, Data, and Personal Information.

FISCAL IMPACT/FINANCING

The funding for the Countywide Privacy Office is included in the Fiscal Year 2022-23 Adopted Budget, and expenses will be charged to the County’s Insurance Budget, which is allocated to the County departments. Therefore, the Countywide Privacy Office does not incur Net County Cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In August 2022, the Board approved new policies for the establishment of a Countywide Privacy Program. The new Board Policies will have a positive impact on County business and operations by establishing a Countywide Privacy Program and data privacy procedures and standards to ensure the protection of County Information, including Personal Information.

The Ordinance amendment will formalize the establishment of the County's Privacy Office and critical roles and staff that will be responsible for implementing the recently approved Countywide Privacy Program policies.

County Counsel reviewed the proposed Ordinance amendment and concurs with the establishment of a new Countywide Privacy Office. Please see enclosed analysis.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The establishment of the County Privacy Office and the relevant policies will allow the County to continue to procure appropriate insurance protections that would not otherwise be available.

The County Privacy Office will provide guidance and assistance to departments on current services and projects to protect the personal data and align with County Privacy Policy. No negative impact on services (or projects) is foreseen.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN
STR:LR:sg

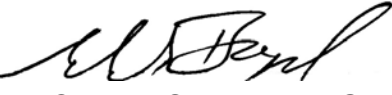
Enclosure

c: Executive Officer, Board of Supervisors
County Counsel
Human Resources

ANALYSIS

This Ordinance amends Title 2 – Administration of the Los Angeles County Code relating to information privacy and responsibilities of privacy personnel within the Chief Executive Office of the County of Los Angeles.

DAWYN HARRISON
Acting County Counsel

By 
MICHAEL S. BUENNAGEL
Deputy County Counsel
Government Services Division

MSB:bk

Requested: 04/04/22
Revised: 07/11/22

ORDINANCE NO. _____

An ordinance amending Title 2 – Administration of the Los Angeles County Code, relating to information privacy and responsibilities of privacy personnel within the Chief Executive Office of the County of Los Angeles.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 2.08.080 is hereby added to read as follows:

2.08.080 Information Privacy.

The Chief Executive Officer shall:

A. Establish and maintain a Countywide Privacy Office to maintain, oversee, and ensure compliance with a Countywide privacy program and County policies pertaining to the access, use, disclosure, and protection of County information and ensure compliance with any law or regulation that may impose obligations on the County related to County information.

B. Appoint a Chief Privacy Officer, a position which shall be maintained within the Chief Executive Office, to oversee the Countywide Privacy Office and develop, adopt, implement, and maintain Countywide minimum standards and requirements of a Countywide privacy program.

C. Provide professional guidance and advice on Countywide information privacy activities to the Board of Supervisors, County departments, and County information privacy and information technology bodies.

D. Maintain within the Countywide Privacy Office the following positions, which are created within the Chief Executive Office and shall report to the Countywide Chief Privacy Officer:

1. Countywide Privacy Program Manager;
2. Countywide HIPAA Program Manager; and
3. Countywide Privacy and HIPAA Compliance Program Manager.

[208080MBCC]



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

FESIA A. DAVENPORT
Chief Executive Officer

August 31, 2022

To: Supervisor Holly J. Mitchell, Chair
Supervisor Hilda L. Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Fesia A. Davenport
Chief Executive Officer

Board of Supervisors
HILDA L. SOLIS
First District

HOLLY J. MITCHELL
Second District

SHEILA KUEHL
Third District

JANICE HAHN
Fourth District

KATHRYN BARGER
Fifth District

THIRD REPORT ON DEPLOYMENT AND INTEGRATION OF INFORMATION TECHNOLOGY (ITEM NO. 13, AGENDA OF JULY 13, 2021)

On July 13, 2021, the Board of Supervisors (Board) adopted a motion directing the Chief Executive Officer to report back in 120 days on the potential new or clarified job duties of the Office of the Chief Information Officer (CIO), to include: 1) Oversight of proactive County cybersecurity operations; 2) Strategies to leverage the use of cloud and emerging technologies; 3) Consolidation of Information Technology (IT) procurement practices of all departments for cost savings, and replacement and modernization of legacy computer systems, with an increase of new technology solutions that can support the workforce of tomorrow; 4) Improve communication amongst the CIO with all departments; and 5) Policy recommendations on appropriate authority to enforce policy compliance.

This report is based on the findings and recommendations from the second report, prepared by KPMG LLP, describing options for a future facing information technology model for Los Angeles County (County) as it relates to information technology for County departments, CIO, and Internal Services Department (ISD).

Information Technology Organizational Model

In March 2022, the Chief Executive Office (CEO) contracted with Info-Tech Research Group (Info-Tech) to facilitate a series of workshops with 17 County department CIOs and two Chief Deputies, to provide feedback and input on defining the operating model, services, funding model, organizational structure, and organizational placement of a future facing Integrated IT Organization for the County.

Info-Tech recommends that the CIO and ISD-Information Technology Services (ISD-ITS) be consolidated into a single Department of Information Technology (DoIT). Similar to other core administrative Departments, such as the CEO, Human Resources, County Counsel, and Auditor-Controller, DoIT will establish authority and accountability for the County IT strategies, management and operations.

Future Facing Model for Roles and Responsibilities for the County

The future facing model for County departments, CIO, and ISD is a federated model where departments and the DoIT share roles and responsibilities for the delivery of IT services to constituents. Critical enterprise services such as policy and standard setting, IT procurement, application and infrastructure lifecycle management and commodity services such as datacenter services and productivity tools will be provided by DoIT, while departments maintain responsibility for their mission critical systems supporting their unique missions and constituents.

Organizational Placement of the CIO

Info-Tech recommends that DoIT should be chartered as a new County department reporting to the Board, led by a County Chief Information Officer. This will ensure alignment with both Board priorities and department technology-based services and maximizes the accountability for IT in the County. Technology is widely recognized as a mission critical capability to deliver County services and should therefore be structured like other departments who deliver critical administrative services in a federated model (e.g., CEO, Human Resources, County Counsel, and Auditor-Controller).

Roles of CIO and ISD Relating to Proactive Cybersecurity Measures for County Owned Technology, Cloud Computing Uses and Data Sharing Agreements

DoIT will provide a single point of accountability for cybersecurity by aligning the policy and management of countywide cybersecurity operations under the leadership of the Chief Information Security Officer, that will include a new cybersecurity audit function to ensure compliance with cybersecurity policy and standards. This new organization will also include strategic and operational aspects of IT and establishes clear, countywide accountability for other critical functions such as IT strategy, IT procurement, innovation, and enterprise data management. A governance structure that allows departmental input will ensure alignment and improve communication between the CIO and County departments.

Each Supervisor
August 31, 2022
Page 3

Next Steps

An assessment of ISD-ITS services and cost model is necessary to inform the Board on whether ISD-ITS will be consolidated into a new department or remain in ISD. The CEO will hire a consultant to assess ISD-ITS services and fiscal operations to determine the feasibility of implementing the recommendations in this report including the fiscal impact to ISD.

Should you have any questions regarding this matter, please contact me or Joseph M. Nicchitta, Chief Deputy, at (213) 974-1104 or jnicchitta@ceo.lacounty.gov.

FAD:JMN:JFO
PL:jmn

Attachment

c: Executive Office, Board of Supervisors
 County Counsel
 Internal Services

**EXECUTIVE SUMMARY - DESIGN AND DEVELOPMENT OF LA COUNTY'S INTEGRATED IT ORGANIZATION
INFO-TECH RESEARCH GROUP
JUNE 2022**

BACKGROUND

In March 2022, the Los Angeles County Chief Executive Officer contracted with Info-Tech Research Group (Info-Tech) to assist in developing the third report back to the Board on the motion "Deployment and Integration of Information Technology" (Item No. 13, Agenda of July 13, 2021). The objective of the engagement was to develop a set of recommendations on the key items of the Board Motion, including:

- Future facing model for roles and responsibilities between County departments, CIO and ISD
- Roles of CIO and ISD relating to proactive cybersecurity measures for County owned technology, cloud computing uses and data sharing agreements
- Organizational placement of the Office of the CIO

Info-Tech facilitated a series work six working sessions, with 15 department CIOs and 2 Chief Deputies, to get input on the roles, responsibilities, operating model, services, functions, funding model, organizational structure, and organizational placement of a future facing Integrated IT Organization for LA County.

RECOMMENDATIONS

Info-Tech's recommendations, unanimously supported by the working session participants, are as follows:

1. Future facing model for roles and responsibilities between County departments, CIO and ISD

The future facing operating model for Los Angeles County IT is a ***federated model***, where County departments and the central Integrated IT Organization share roles and responsibilities for the delivery of IT services to constituents. The central Integrated IT Organization is responsible for critical enterprise (county wide) strategy, governance (policy and standards setting), platform services, infrastructure services, IT procurement, application and infrastructure lifecycle management and commodity services such as datacenters, productivity tools (see Figure 1 for more functions and services detail). Departments continue to maintain their responsibility for mission critical systems that support their unique missions and constituents.

2. Roles of CIO and ISD relating to proactive cybersecurity measures for County owned technology, cloud computing uses and data sharing agreements

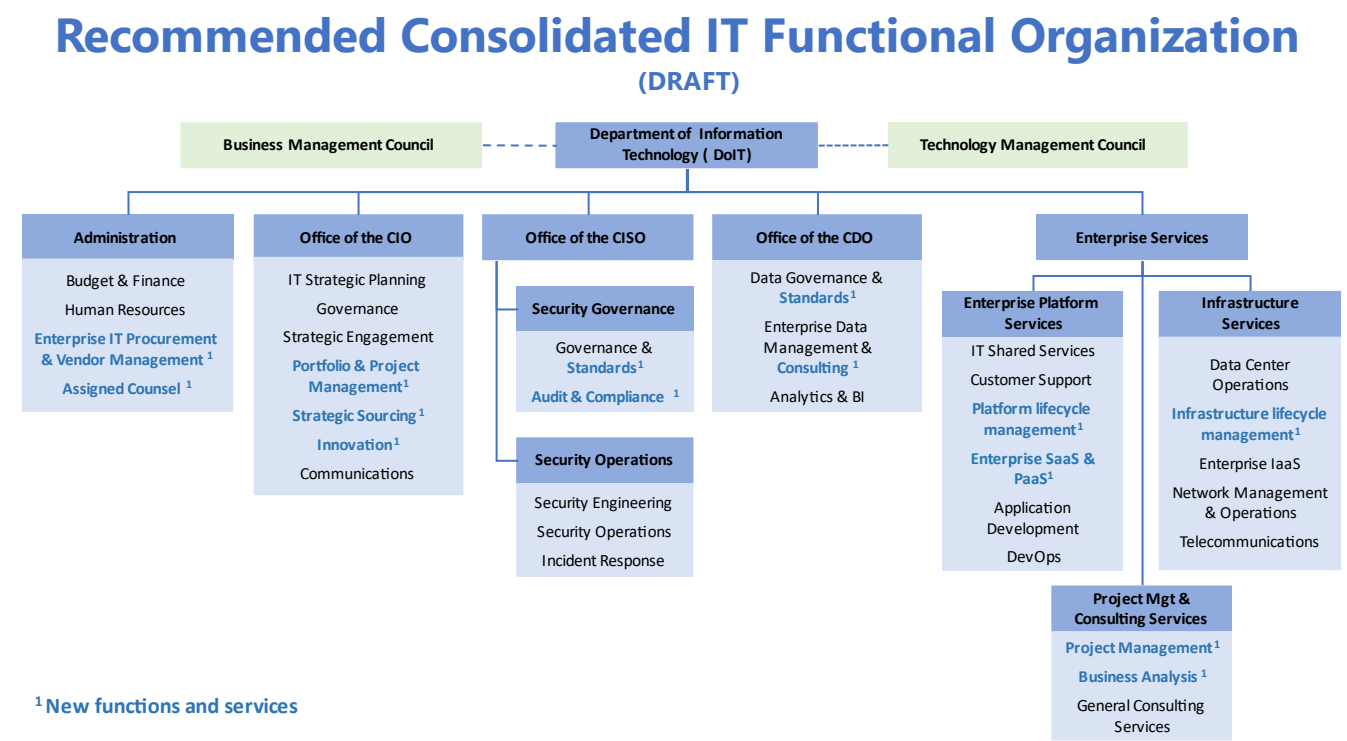
Consolidate the Office of the CIO and Information Technology Services within ISD into a ***single Department of Information Technology*** and expand the breadth of services to meet the future needs of County constituents (see Figure 1 for highlights of new services). This new organization will include strategic and operational IT functions. IT will establish clear accountability, governance, standards, and operations for county wide, mission critical functions like cybersecurity, enterprise data management and countywide platforms, including cloud technologies. A supporting governance structure (Business and Technology Councils) is necessary to enable departmental input from a business and technology perspective, assist in prioritizing new and enhanced enterprise services, facilitate improved communication.

3. Organizational placement of the Office of the CIO

Establish the central, Integrated IT organization as ***a new County Department reporting to the Board of Supervisors*** and led by a county wide Chief Information Officer (CIO). This ensures direct alignment with both Board priorities, providing enterprise services that support Departments, as well as maximizing the accountability for county wide IT. This reporting structure is consistent with a) other mission critical services

provided across the county in a federated model, such as Human Resources, Auditor-Controller, and County Counsel, and b) other jurisdictions of similar size and complexity.

Figure 1: Recommended Consolidated IT Functional Organization, with new services highlighted.



SUPPORTING DETAILS FOR RECOMMENDATIONS

More details and key benefits associated with the three main recommendations are provided below in Table 1 below.

Table 1. Supporting details for recommendations

| Recommendation Details | Key Justification and Benefits |
|--|---|
| Consolidate countywide IT into a Department reporting to the Board | <ul style="list-style-type: none">Strategic alignment of Board priorities, County Strategy, Departmental strategies, and IT strategies and elevates IT as a critical county function, similar to HR, Auditor-Controller and County Counsel.Alignment of the strategy, governance, management and operations of countywide applications, platforms and infrastructure, including lifecycle management, cybersecurity, and IT procurement, to achieve economies of scale |
| Enhance and improve coordination of services and constituent experience countywide | <ul style="list-style-type: none">Provides common application integration platforms to enable data sharing and enhanced constituent user experience across countywide digital servicesResponsibility for business-specific mission critical systems remains with departmentsLarge and “subvened” departments retain their independence and funding streams are not impairedCommodity services and support for smaller departments can be delivered centrally |

| | |
|---|---|
| Establish clear accountability for countywide IT Department | <ul style="list-style-type: none"> Standard setting and IT service delivery are within the same organization Departments will have one single contact at the County level for any given Function or Service. This will lead to faster, more consistent, and better integrated service delivery. |
| Centralize cybersecurity accountability and operations | <ul style="list-style-type: none"> Cybersecurity will be elevated to be a county-wide responsibility with centralized standard setting and enforcement Better visibility into the threat landscape, security posture and higher level of accountability at the county level |
| Simplify funding and increase cost transparency for IT services | <ul style="list-style-type: none"> Implement a multi-tiered cost recovery model distinguishing between recovery of operating costs and chargeback for volume-based services Replace current cost model with a value-based rate structure that reflects the true costs of providing IT services |
| Expedite and simplify countywide IT procurement | <ul style="list-style-type: none"> Consolidate strategic sourcing, MSAs for IT products and services within the new IT organization Establish better guidelines and services to enable legacy replacements leveraging countywide application platforms Streamline the procurement process for pre-approved solutions or extensions of existing platform solutions |
| Establish a countywide innovation and emerging technology incubator | <ul style="list-style-type: none"> Establish a forward looking, business-oriented organizational unit who works closely with departments on identifying and acting on innovative concepts and funding sources to better serve the County's constituents Create an innovation lab with formal processes for ideation, rapid prototyping, and adoption of emerging technologies |

CRITICAL SUCCESS FACTORS

Creating a new Department of Information Technology with a range of new services and combining the current staff of CIO and ISD is a complex endeavour. It will require time, commitment, and collaboration to succeed. The following provides a list of critical success factors for the design and development of LA County's integrated IT organization:

- **Clear direction by the Board of Supervisors** on the County wide IT operating model and consolidated IT organization
- **Executive support, commitment and timely decision making is necessary at the highest County levels**, including the Board, CEO, and ISD leadership
- **County policy and standards are enacted** to support the new consolidated IT organization, operating model, and IT procurement changes
- **Continue a phased, collaborative, and transparent approach** by creating a Task Force similar to the working group for this report who will guide and oversee the planning and implementation of the new IT Department and then a dedicated transformation team that will lead the transformation workstreams
- **Implementation Task Force is empowered to lead the transformational change**, within the boundaries of the Board direction and resources provided
- **Realistic expectations, scope, timeline, and resources** are needed to maintain current momentum and ensure continued County wide IT engagement
- **County staff are dedicated to the transformation team**, independent from their normal duties

- **Any new services provided by the new consolidated IT organization must be resourced** adequately to ensure their success, as well as ensure ongoing services continue to be successfully delivered
- **Organizational change management and communications** is a dedicated role and function on the transformation team

RECOMMENDED APPROACH

Given the size and complexity of creating a consolidated Department of Information Technology, this effort is expected to take at a minimum 2 years to complete. Initially, an Implementation Task Force should be created to work with the CIO, ISD and external Consultants to develop a comprehensive implementation plan.

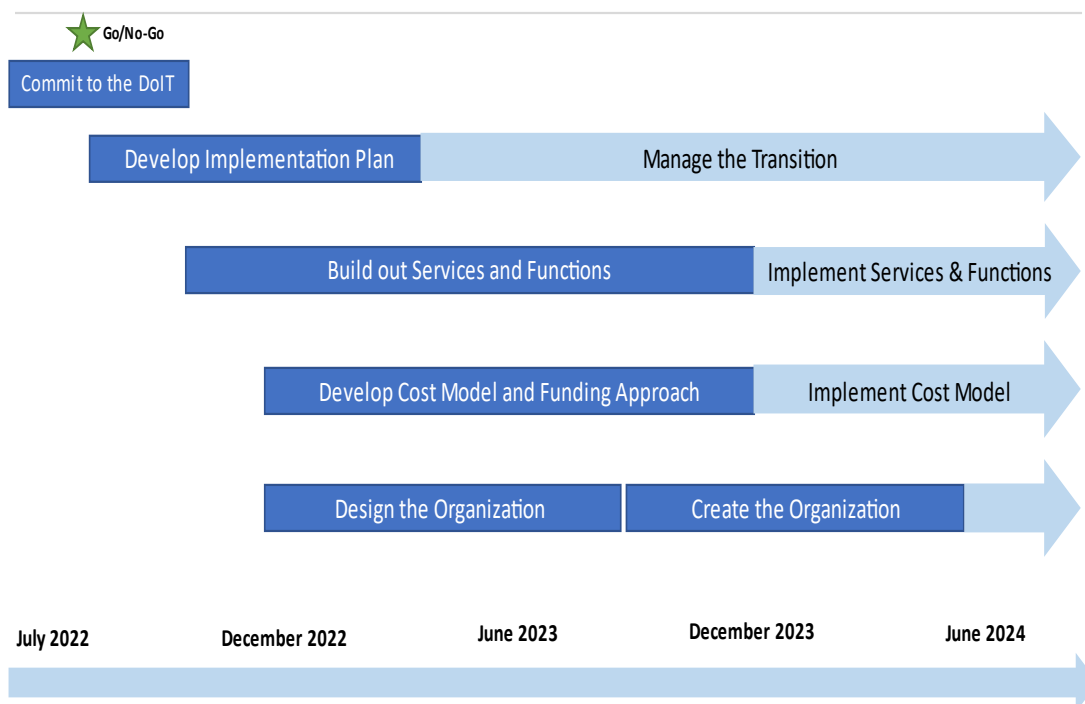
It is imperative that this planning occur separate from the day-to-day operations of current CIO and ISD, and that the primary focus is put on creating the structure of the new organization free of current-state constraints. Once that structure is formally in place, leadership positions can be filled, and functions and services staffed with existing and new personnel.

In parallel, separate workstreams will focus on developing a comprehensive service catalog that includes all functions and services of the new Department of Information Technology as well as the cost and chargeback model for said services and functions.

Additional key activities include change management and communications to ensure that internal and external stakeholders are well informed and ready to embrace the changes.

DRAFT TIMELINE

High Level Timeline and Milestones



NEXT STEPS

Immediate next steps include a go/no-go decision by the Board regarding the implementation of the recommendations in this report coupled with the task to charter a transition Task Force and the development of an Implementation Plan within the next 90 days. Such a plan will include the following:

- Workstreams for:
 - Charter the Department of Information Technology
 - Service Catalog
 - Cost Model
 - Funding Model
 - Detailed Organizational Structure with positions
- Activities and milestones for each workstream
- Workstream leads and resource requirements
- Budget estimates for internal and external costs
- Timeframes and critical milestones

ADDITIONAL INFORMATION

While it was not within the scope of this effort to determine the fiscal impact of the recommendations to the Board, Info-Tech, CIO, and the participating CIOs generally agree that the fiscal impact of these changes in the long run will be net neutral, as long as the scope of the new services are managed effectively.

There can be significant savings from consolidating services and reducing complexity in the current charge back model. These savings can be used to build out new services and functions. Services will be charged to departments either in the form of Standard Operating Cost Recovery or as a volume-based chargeback by consumption.

The transition itself however will require initial funding for the staff needed in the planning and creation of the new Department of Information Technology, as well as external consulting support for the organizational design, service portfolio management, service catalog development, cost model development, change management and communications. Developing cost estimates would be included in the initial planning effort.

Table 2. Working session participants

| Name | Title |
|-------------------|--|
| Aman Bhullar | CIO, Registrar Recorder/County Clerk |
| Amin Almuhabab | CIO, Board of Supervisors |
| Benny Chacko | Acting General Manager, ISD |
| Binh Le | CIO, Library |
| David Cardenas | Deputy Director of Operations, Department of Public Health |
| Hooman Hassanpour | CIO, Child Support Services |
| Jeramy Gray | Chief Deputy, Registrar-Recorder/County Clerk |
| Jesse Juarros | CIO, Public Works |
| Jim Green | CIO, Probation |
| Karen Loquet | Assistant Auditor-Controller |
| Kevin Lynch | CIO, Department of Health Services |
| Michael Sylvester | Bureau Director & CIO, Public Social Services |
| Mirian Avalos | CIO, Department of Mental Health |

| | |
|-------------------------|---|
| Mohammed Al Rawi | CIO, Public Defender |
| Pamela Missett | Chief Deputy, Department of Human Resources |
| Peter Loo | Acting CIO, Office of the CIO |
| Thomas Kooy | CIO, Information Systems Advisory Board |



Los Angeles County
Office of the Chief Information Officer

Integrated IT Organization

Recommendations and Supporting
Information

June 10, 2022

INFO~TECH

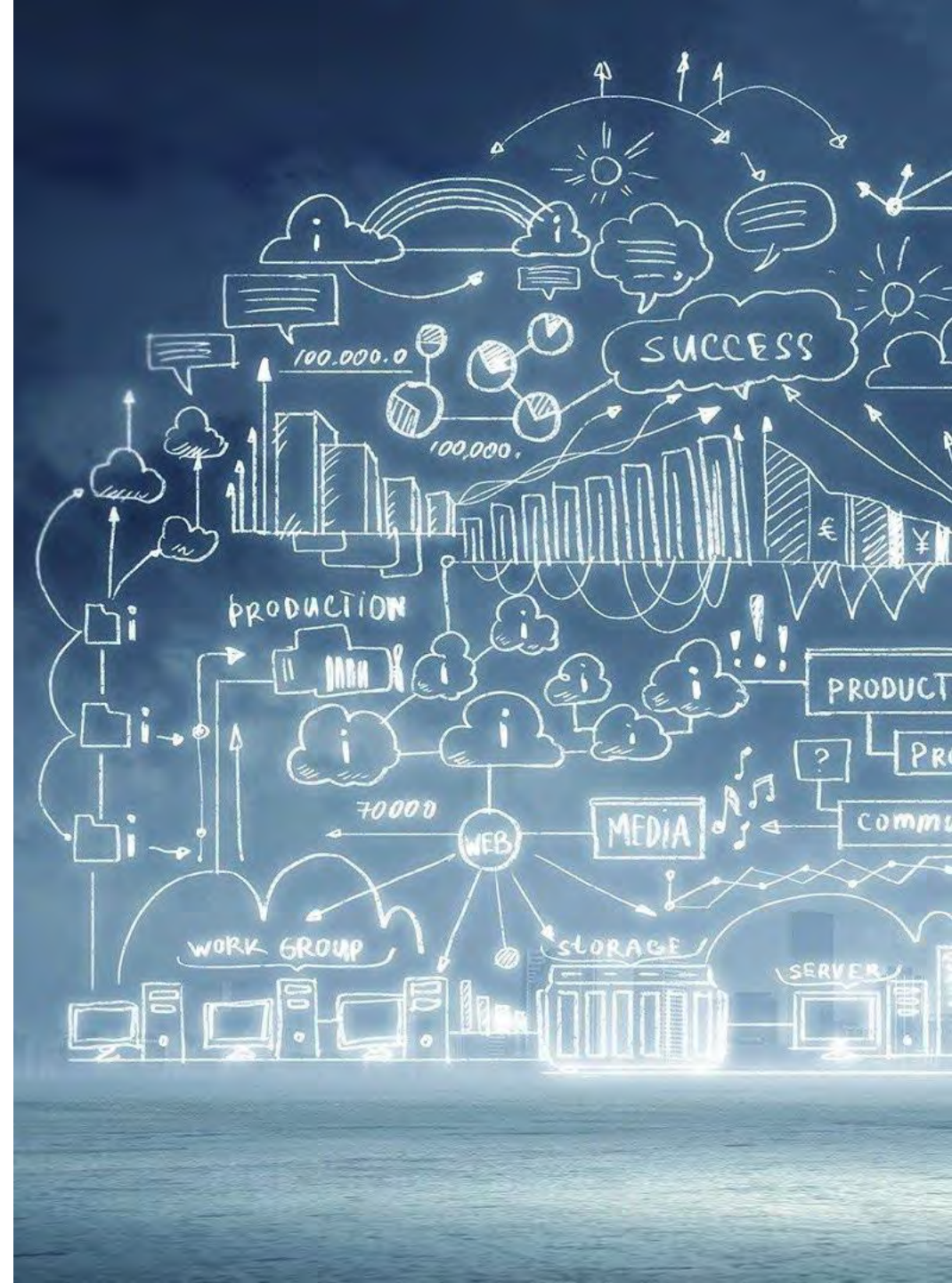


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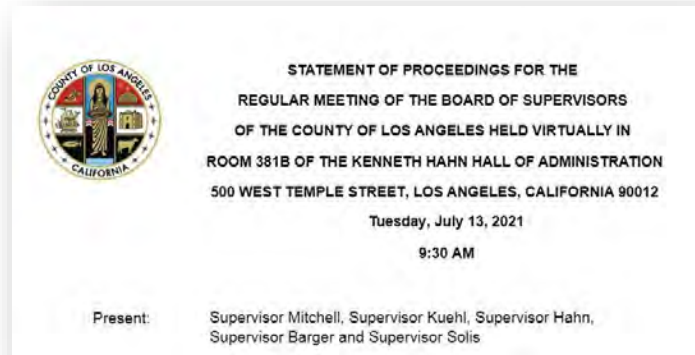
- Background
- Case for Action
- Supporting Recommendations
- High Level Timeline and Milestones
- Critical Success Factors
- Additional Information
- Attachments
 - Attachment A – Charter Outline and Guiding Principles
 - Attachment B – Services and Functions, and Integrated IT Organization Structure
 - Attachment C – Funding Approach
 - Attachment D - Samples of IT Organizational Structures



Background

Board passed a motion on “Integrated IT”...

Board Motion July 2021



Statement of Proceedings July 12, 2021

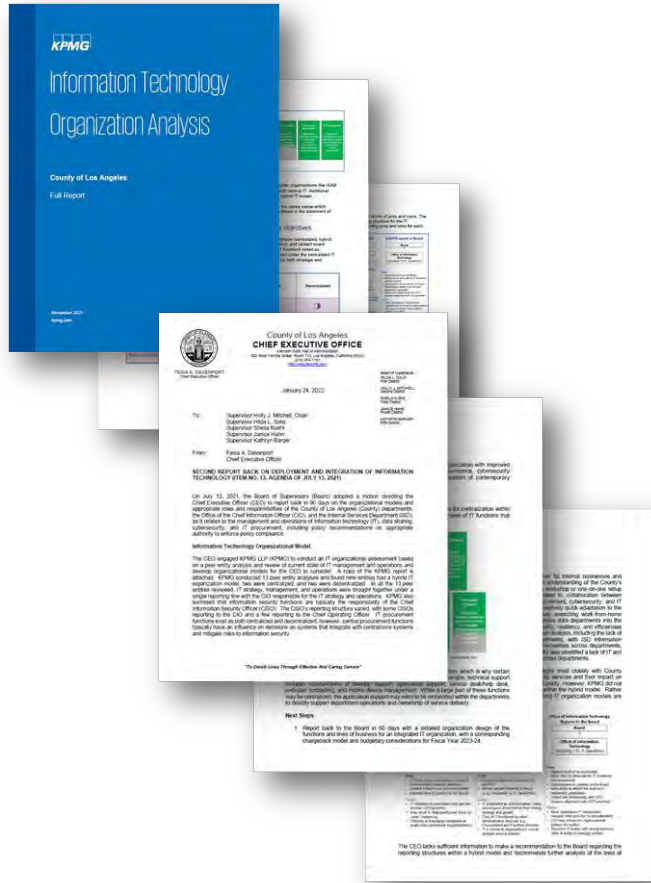
Recommendations to report back on:

1. "What a **future facing model** should be for the appropriate **roles and responsibilities** as it relates to **information technology for County Departments, CIO and the Internal Services Department (ISD)**",
2. "What the appropriate **roles of the CIO and ISD** should be as it relates to **proactive cybersecurity measures for County-owned technology, cloud computing uses, and data sharing agreements**,
3. "**Recommendations for the organizational placement of the (Office of the) CIO**"

Including :

- "Potential new or clarified job duties of the CIO"
- "Oversight of proactive County cybersecurity operations"
- "Strategies to leverage the use of cloud and emerging technologies;
- "Consolidation of Information Technology procurement practices of all Departments for cost savings, and replacement and modernization of legacy computer systems, with an increase of new technology solutions that can support the workforce of tomorrow"
- "Improve communication amongst the CIO with all Departments"
- "Policy recommendations on appropriate authority to enforce policy compliance"

IT Organization Analysis and Second Board Report



February Report Back to Board on Deployment and Integration of IT

KPMG Analysis:

- Conducted **13 peer entity** analyses and found **nine entities had a hybrid IT organization model**, two were centralized, and two were decentralized.
 - In all the 13 peer entities reviewed, **IT strategy, management, and operations** were brought together **under a single reporting line with the CIO responsible for the IT strategy and operations**
 - **Information security** functions are typically the **responsibility of the Chief Information Security Officer (CISO)** - reporting structure varied
 - **IT procurement functions exist as both centralized and decentralized**; however, **central procurement** functions typically have an **influence on decisions on systems that integrate with central/core systems and mitigate risks to information security**.
- Met with over **50 internal businesses and technology stakeholders** from across the County to gain an understanding of the **County's current IT landscape**.
 - Collaboration between departments and ISD/CIO, service delivery models, IT procurement, cybersecurity, and IT operations
 - Discovered successes and challenges
- A **hybrid IT organization model is recommended** as it aligns most closely with County governance structure, based on the diverse nature of County services and their impact on the unique IT needs across different service clusters of the County.
- However, KPMG **did not make recommendations regarding the reporting structures** within the hybrid model.

The Case for Action for an Integrated IT Department is the result of a collaborative work effort

Facilitated by the Info-Tech Research Group, the following participated in a series of working sessions:

| | |
|-------------------|--|
| Aman Bhullar | CIO, Registrar Recorder/County Clerk |
| Amin Almuhabab | CIO, Board of Supervisors |
| Benny Chacko | Acting General Manager, ISD |
| Binh Le | CIO, Library |
| David Cardenas | Deputy Director of Operations, Department of Public Health |
| Hooman Hassanpour | CIO, Child Support Services |
| Jeramy Gray | Chief Deputy, Registrar-Recorder/County Clerk |
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| Pamela Missett | Chief Deputy, Department of Human Resources |
| Peter Loo | Acting CIO, Office of the CIO |
| Thomas Kooy | CIO, Information Systems Advisory Board |



Case for Action

Los Angeles County constituents expect public services to be ...



- available anytime and anywhere, just as they would from private business service providers
- equitable and accessible to all people
- consolidated and integrated when they are requested or accessed
- securely, privately and cost effectively provided

... people and technology enable Los Angeles County to meet constituent's expectations

County Departments are successfully delivering unique technology-enabled services to their constituents



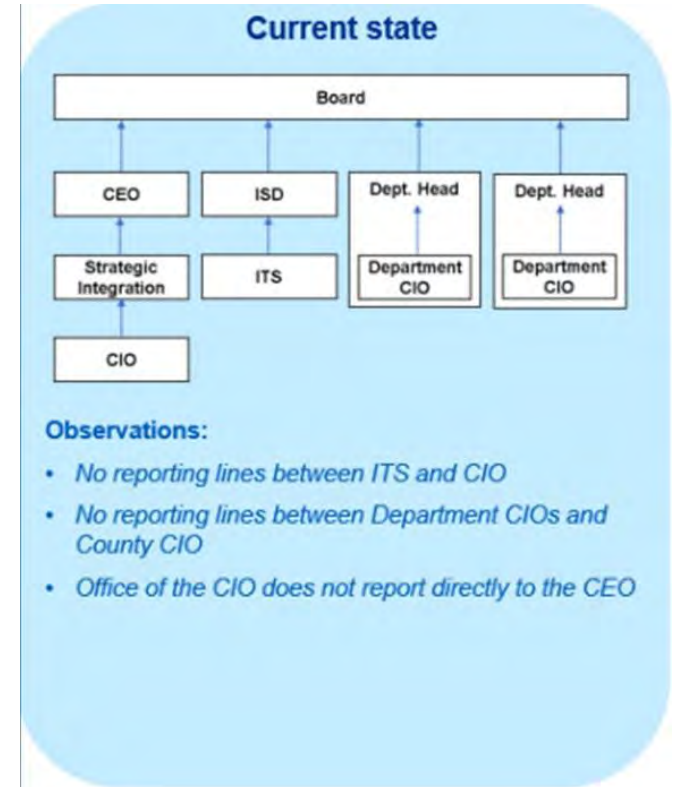
- These services support departmental missions and unique constituent needs
- Constituents and Departments benefit from technology-based automation and service delivery
- Technology is a major driver in Departments delivering digital services countywide

There are opportunities to lead and improve countywide constituent experience by ...

- Enhancing the coordination of online services and overall user experience
- Expanding accessibility, making services more intuitive and improve mobile experiences
- Ensure that smaller and less subvented departments can provide state-of-the-art level of technology enabled services
- Implementing standards and governance for consistency
- Expediting and simplifying procurement to reduce lengthy delays in acquisition, development and implementation of new digital services

To meet constituent needs and expectations, countywide IT leadership and service delivery needs restructuring

- Servicing the largest Municipality in North America requires a highly coordinated and collaborative approach to efficiently and securely meet the needs of 10 million constituents, while providing Digital Equity countywide.
- "Proactive cybersecurity measures for County owned technology, cloud computing uses, and data sharing agreements" cannot be achieved under the current bifurcated organizational structure.
- IT leadership and accountability must take place at the highest level in the County – just like other core administrative County functions.



Information Technology is organized differently than other core administrative functions

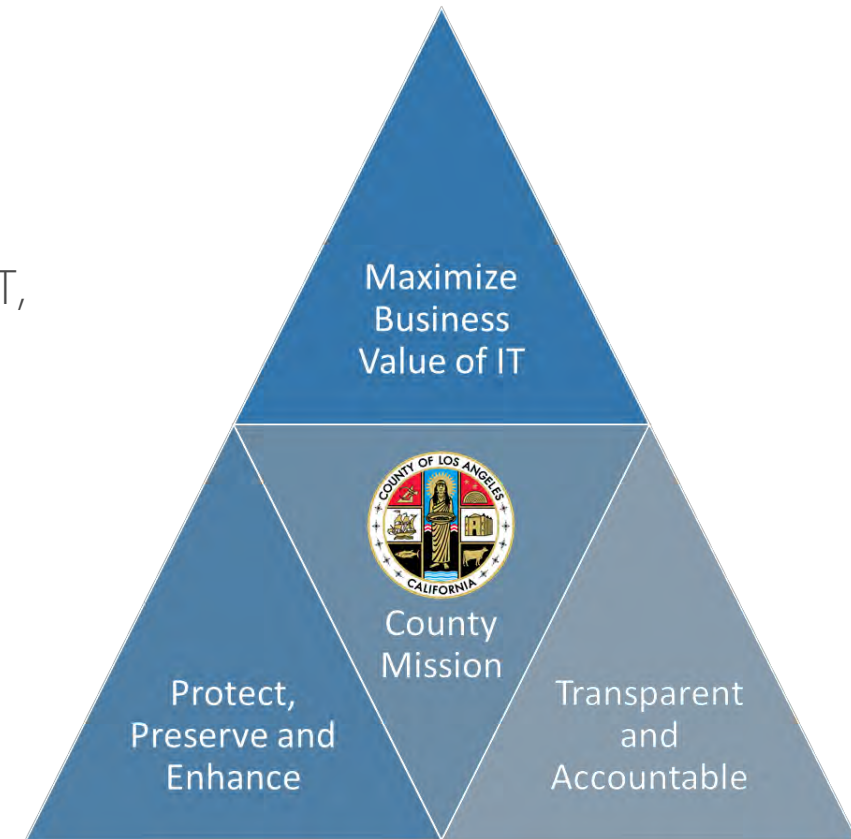
Compared to other departments with core administrative functions, Information Technology does not have countywide authority and mandate.

| | Auditor/Controller | Human Resources | County Counsel | Information Technology |
|-----------------------------|---|--|--|--|
| Mandate (Mission/Vision) | Provide the County with expert advice and leadership in business and financial practices to promote financial integrity, accountability, compliance and innovation. | Attract, develop, and retain a talented, engaged, and diverse workforce passionate about public service. | The Office of County Counsel provides legal representation, advice and counsel to the Board of Supervisors [and] County Departments (...) as mandated and authorized by the County charter (...) | No clear mandate across OCIO and ISD. Separate missions, visions and strategies. |
| Description | Single department that sets financial management standards that are consistently used across all departments. | Single department that sets HR standards that are consistently used across all departments. | Single department that sets legal standards that are consistently used across all departments. | Two business units embedded in two different departments with no formal structured interactions. |
| Accountability | Department Head reporting to the Board | Department Head reporting to the Board | Department Head reporting to the Board | 2 or 3 levels below department head |

Info-Tech recommends consolidating the OCIO and ISD-ITS into a single Department reporting to the Board

- Info-Tech recommends that the OCIO and ISD-ITS be consolidated into a single Department reporting to the Board.*
- This Department will establish authority and accountability for countywide IT, just like other core administrative countywide Departments, such as Human Resources, County Counsel and Auditor-Controller
- The technology department will:
 - Focus on enabling the County's Mission through technology and delivering services that improve the quality of life in Los Angeles County
 - Implement processes and technologies that ensure County assets and data are leveraged, safe and secure.
 - Ensure that IT is budgeted, funded, procured and delivered in a transparent manner and that there is clear accountability for all aspects of IT across all stakeholders.

* This recommendation is unanimously supported by the participants of the working sessions.



"Improve the quality of life in the County of Los Angeles by providing responsive, efficient, and high-quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, businesses and communities."

Recommendations addressing the specific points in the Board Motion from July 12, 2021

1. Future facing model for roles and responsibilities between County departments, CIO and ISD

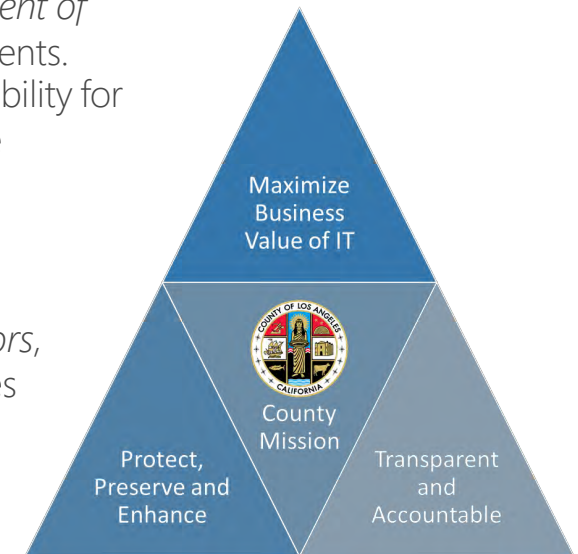
The future facing model for Los Angeles County is a *federated model* where departments and the central IT organization share roles and responsibilities for the delivery of IT services to constituents. Critical enterprise services such as policy and standard setting, IT procurement, application and infrastructure lifecycle management and commodity services such as datacenters, productivity tools will be provided by the central IT organization while Departments maintain responsibility for their mission critical systems supporting their unique missions and constituents.

2. Roles of CIO and ISD relating to proactive cybersecurity measures for County owned technology, cloud computing uses and data sharing agreements

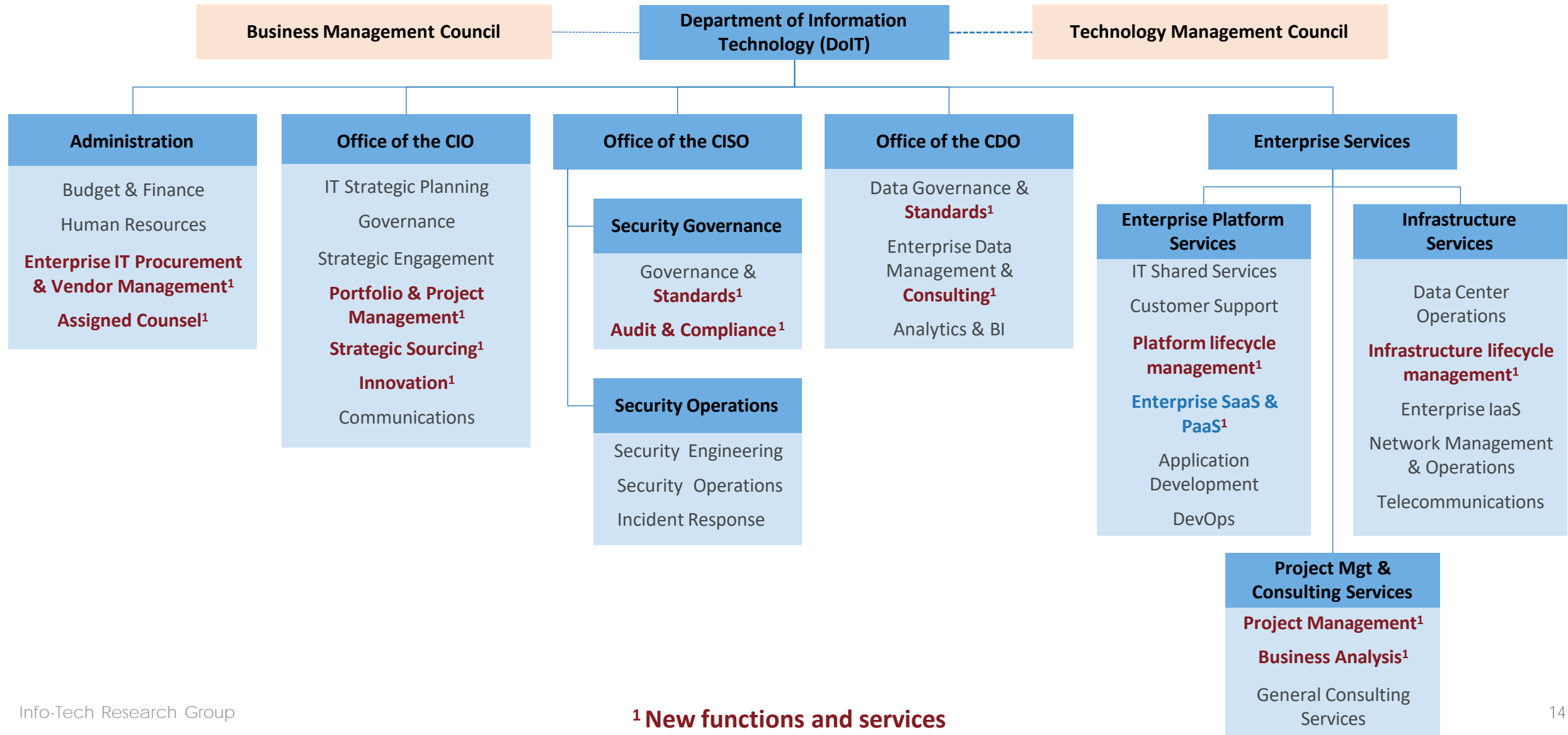
The Office of the CIO and Information Technology Services within ISD should be consolidated into a *single Department of Information Technology* and augment the range of services to meet the current and future needs of County constituents. This new organization will include strategic and operational aspects of IT and establishes clear, countywide accountability for critical functions like cybersecurity, IT strategy, IT procurement, cloud technologies and data. A governance structure that allows departmental input will ensure alignment and improve communication.

3. Organizational placement of the Office of the CIO

The Integrated IT organization should be chartered as a *new County Department reporting to the Board of Supervisors*, led by a countywide Chief Information Officer (CIO). This will ensure that there is alignment with both Board priorities and Department technology-based services and maximizes the accountability for IT in the County. Technology is widely recognized as a mission critical capability to deliver County services and should therefore be structured like other departments who deliver critical services in a federated model (Human Resources, County Counsel or Auditor-Controller).



Recommended Consolidated IT Organization Structure (DRAFT)



High Level Analysis of Countywide IT reporting options

Of the three options considered for reporting structure, only reporting directly to the Board will allow LA County to fully capitalize on the benefits of consolidating CIO and ISD/ITS.

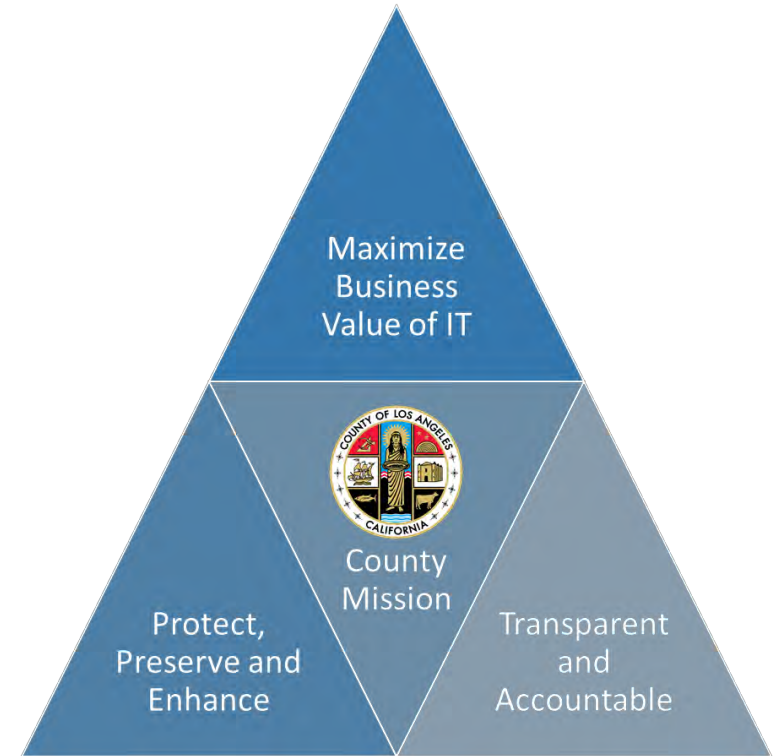
| | Reporting to the Board | Reporting to ISD | Reporting to CEO |
|---------------|--|---|--|
| Advantages | <ul style="list-style-type: none"> Core Administrative Functions are organized as Departments Ensures alignment with both Board priorities and Department technology-based services Puts County CIO at same level as Department heads, above departmental CIOs Reduces risk by establishing clear, countywide accountability for functions like cybersecurity, IT strategy, IT procurement, etc. Public organizations of similar size, complexity and structure consistently have a CIO position that reports directly to the decision-making authority (Board, Governor, Mayor). | <ul style="list-style-type: none"> Minimizes organizational changes as large portion of the central IT workforce remains in ISD Aligns CIO with IT service delivery | <ul style="list-style-type: none"> No change to current status for CIO Aligns IT service delivery with CIO |
| Disadvantages | <ul style="list-style-type: none"> Requires chartering a new department Highest level of effort to achieve target state | <ul style="list-style-type: none"> Continues the perception of IT being a commoditized general service Continues positioning IT as a cost center Puts County CIO at same level as department CIO, below department heads | <ul style="list-style-type: none"> Continues to deprecate IT below department CIOs Triplies the size of CEO CEO is not an operational department Focus on budget & operation vs. IT and Innovation |
| Conclusion | <ul style="list-style-type: none"> Only option that allows LA County to fully capitalize on the benefits of consolidating CIO and ISD/ITS | <ul style="list-style-type: none"> No other jurisdiction is organized in this manner Unlikely to be successful in the long run as departments would turn away from ISD | <ul style="list-style-type: none"> Would present an anomaly within LA County org structure as IT would be the only operation within CEO |



Supporting Recommendations

Supporting Recommendations for an LA County consolidated IT Department

1. Consolidate countywide IT into a Department reporting to the Board
2. Enhance and improve coordination of services and constituent experience countywide
3. Establish clear accountability for countywide IT Department
4. Centralize cybersecurity accountability and operations
5. Simplify funding and increase cost transparency for IT services
6. Expedite and simplify countywide IT procurement
7. Establish a countywide innovation and emerging technology incubator

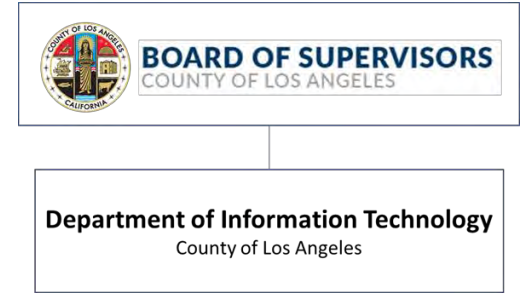


Supporting Recommendations

Info-Tech facilitated a series of six working sessions with 17 CIOs and Deputy Department Heads over the course of 2 months. Out of these sessions and based on industry best practices and Research provided by Info-Tech, we developed the following seven recommendations:

| | Critical Success Factors | Key Benefits |
|---|---|---|
| 1 | Consolidate countywide IT into a Department reporting to the Board | <ul style="list-style-type: none"> Strategic alignment of Board priorities, County Strategy, Departmental strategies and IT strategy Like HR, Payroll, Tax Collection or Elections Information Technology is a critical capability that enables the County in fulfilling its Mission. |
| 2 | Enhance and improve coordination of services and constituent experience countywide | <ul style="list-style-type: none"> Responsibility for business mission critical systems remains with departments Large and “subvened” departments retain their independence and funding streams are not impaired Commodity services and support for smaller departments can be delivered centrally |
| 3 | Establish clear accountability for countywide IT Department | <ul style="list-style-type: none"> Standard setting and IT service delivery are within the same organization. Departments will have one single contact at the County level for any given Function or Service. This will lead to faster, more consistent and better integrated service delivery. |
| 4 | Centralize cybersecurity accountability and operations | <ul style="list-style-type: none"> Cybersecurity will be elevated to be a county-wide responsibility with centralized standard setting and enforcement Better visibility into the threat landscape, security posture and higher level of accountability at the county level |
| 5 | Simplify funding and increase cost transparency for IT services | <ul style="list-style-type: none"> Implement a multi-tiered cost recovery model distinguishing between recovery of operating costs and chargeback for volume-based services Replace current cost model with a value-based rate structure that reflects the true costs of providing a service |
| 6 | Expedite and simplify countywide IT procurement | <ul style="list-style-type: none"> Consolidate strategic sourcing, MSAs for IT products and service within the new IT organization Establish better guidelines for legacy replacements as to converge on fewer platforms Streamline the procurement process for pre-approved solutions or extensions of existing platform solutions |
| 7 | Establish a countywide innovation and emerging technology incubator | <ul style="list-style-type: none"> Establish a forward looking, business-oriented organizational unit who works closely with departments on identifying and acting on innovative concepts and funding sources to better serve the County's constituents. Create an innovation lab with formal processes for ideation, rapid prototyping and collaboration |

1 Consolidate countywide IT into a Department reporting to the Board



Recommendation

- Consolidate the Office of the CIO and Information Technology Services within ISD into Consolidated Information Technology Department
- Charter the Integrated IT organization as a new County Department reporting to the Board of Supervisors, led by a countywide Chief Information Officer (CIO)
- Hold the CIO accountable and responsible to lead, administer, govern, set strategy & standards, and operate countywide IT functions and services
- Establish business and technical governance boards to inform and guide the CIO

Rationale/ Supporting Best Practices

- Ensures alignment with both Board priorities and Department technology-based services
- Reduces risk by establishing clear, countywide accountability for functions like cybersecurity, IT strategy, IT procurement, etc.
- Public organizations of similar size, complexity and structure consistently have a CIO position that reports directly to the decision-making authority (Board, Governor, Mayor).
- Technology is widely recognized as a mission critical capability to deliver County services. IT should be structured like other departments (Human Resources, County Counsel or Auditor-Controller) who deliver critical services in a federated model.
- This organizational structure and reporting option was unanimously recommended by all participants of the working sessions

2 Enhance and improve coordination of services and constituent experience countywide



Recommendation

- Maintain the County's "federated" IT service delivery model, with Department technology-based services supporting their unique missions and constituents
- Foster better cross-departmental collaboration by establishing countywide technology, security and data sharing standards
- Establish a formal governance process that ensures Departments participation in the setting of standards and oversight processes
- Improve service catalog to support smaller departments in delivering technology enabled services

Rationale/ Supporting Best Practices

- Departments maintain responsibility for their mission critical systems and use of countywide platforms for efficiencies, security and coordination of services
- Many – and often "subvened" departments – need to be nimble and responsive to their stakeholders (i.e., providers of funding) and constituents
- Complex issues such as homelessness, person centered care and diversion require cross-departmental data sharing beyond the current practices and capabilities
- Smaller Departments will need continued, state of the art technology-based services that they could not provide / afford themselves

3 Establish clear accountability for countywide IT Department



Recommendations

- Establish IT standards and compliance enforcement authority that resides at the countywide CIO level
- Empower the CIO with the appropriate authority to act quickly and decisively to protect and preserve critical assets and functions
- Establish clear expectations and cadence for countywide communications and reporting
- Create cost transparency and add new services by expanding and enhancing the service catalog
- Identify which services are centralized, mandatory, and/or can reside within Departments, while following countywide standards and practices

Rationale/ Supporting Best Practices

- Standard setting, governance and compliance enforcement must take place at the highest level in the organization to be effective
- Effective communication is critical to the success of countywide technology-based service delivery, fosters collaboration, transparency and sharing of best practices
- Establishes the CISO as the single point of accountability for cybersecurity governance, strategy and operations
- Establishes the CDO as the single point of accountability for managing enterprise data and data sharing

4 Centralize Cybersecurity accountability and operations



Recommendation

- Create a countywide cybersecurity program that includes an empowered Chief Information Security Officer (CISO) who is accountable for countywide cybersecurity strategy, standards, governance, audit, compliance and operations
- The countywide cybersecurity approach must enable and support different County business “cluster” security and privacy requirements, such as health, human services, public safety
- Ensure the countywide cybersecurity program is aligned with Board priorities and risk tolerance level

Rationale/ Supporting Best Practices

- Cybersecurity is one of the greatest County’s organizational and reputational risks, and must be continuously monitored, assessed and mitigated.
- To preserve and effectively protect the County’s digital assets, it is essential to align cybersecurity strategy, governance and operations.

5

Simplify funding and increase cost transparency for IT services

Simple and Transparent IT Services Funding

| Type | Description |
|---|--|
| Net County Cost (NCC) | The Net County Cost (NCC) is the County's "General Fund". Budgeted and allocated annually. |
| County Cost Allocation Plan (CCAP) | CCAP – County Cost Allocation Plan that can be recovered over 3 years. |
| Standard Operating Cost Recovery* | Costs recovered for select technology overhead and basic functions and services required to conduct County business by staff and departments (e.g., security, licensing for productivity tools) – generally charged based on a "per employee" basis, regardless of consumption level. |
| Chargeback by Consumption* | Costs recovered for technology services based on their consumption of the (e.g., hardware, software, maintenance). Costs are charged back to departments based on usage as defined in a Service Catalog. The Service Catalog includes a service description, SLAs and a rate schedule. |
| Public & Private Grants, Philanthropy and Venture Capital | Funding provided by public and private sector, philanthropic organizations and venture capitalists for the initiation and execution of innovation and modernization projects and programs within the County. In most cases funding is based on a grant application process. |

* Allows "subvented" departments to recover from State/Federal funds

Recommendations

- Verify and finalize funding sources that are consistent with countywide policy and standards
- Implement a multi-tiered cost recovery model that distinguishes between operating costs and chargeback for volume-based services
- Replace current resource-based cost model with a service catalog that reflects a value-based rate structure with transparent costs
- Eliminate current practices of interdepartmental charging for activities and personnel

Rationale/ Supporting Best Practices

- Cost transparency will increase trust and confidence in shared services, reduce internal chargebacks and cost recovery mechanisms to free up funds and resources
- A comprehensive service catalog will improve the marketing and delivery of shared services as well as reduce procurement of third-party services for (available) county provided commodities countywide

Simple and Transparent IT Services Funding

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|---|--|
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6

Expedite and simplify countywide IT procurement



Recommendations

- Establish a countywide strategic IT sourcing, procurement and vendor management capabilities to consolidate and streamline procurement processes
- Streamline and expedite the procurement process for common platform solutions, cloud services and other emerging technologies
- Institute the countywide CIO as a technology broker on behalf of departments vis-à-vis the vendor community to leverage buying power and reduce redundant contracts
- Establish lifecycle management for software and hardware assets to enable predictive cost management and reduce risks
- Transform IT procurement to be inclusive, transparent and accessible

Rationale/ Supporting Best Practices

- Leverage County's enormous purchasing power to secure better pricing, support agreements
- Consolidating technology solutions lowers support and management costs and allows for the development of deeper in-house expertise
- Fosters the countywide adoption of emerging technologies for the workforce of tomorrow
- Tailor processes and templates to streamline procurement of IT products and services.

7

Establish a countywide Innovation and Emerging Technology Incubator



Recommendations

- Establish an incubator for Innovation and Emerging Technology that works collaboratively with Departments
- Develop formal processes for ideation, rapid prototyping and collaboration with external entities such as universities, tech companies and other jurisdictions
- Develop a program of dedicated grant writers familiar with Federal, State and private grants to respond to and secure funding to review public and private grant opportunities and align them with Board priorities and Department needs

Rationale/ Supporting Best Practices

- Technology Lab/ Incubator will identify and pilot innovative technologies that will support the Workforce of Tomorrow, as well as innovative countywide services for constituents
- Creating innovation partnerships enables further constituent engagement and opportunities throughout the research communities countywide
- Leverage Research and Development (R&D) partnership opportunities with other community-based innovations programs



High Level Timeline and Milestones

Recommended Implementation Approach

Given the size and complexity of creating a consolidated Department of Information Technology, this effort is expected to take at a minimum 2 years to complete. Initially, an Implementation Task Force should be created to work with the CIO, ISD and external Consultants to develop a comprehensive implementation plan.

It is imperative that this planning occur separate from the day-to-day operations of current CIO and ISD, and that the primary focus is put on creating the structure of the new organization free of current-state constraints. Once that structure is formally in place, leadership positions can be filled, and functions and services staffed with existing and new personnel.

In parallel, separate workstreams will focus on developing a comprehensive service catalog that includes all functions and services of the new Department of Information Technology as well as the cost and chargeback model for said services and functions.

Additional key activities include change management and communications to ensure that internal and external stakeholders are well informed and ready to embrace the changes.

Next Steps

Immediate next steps include a go/no-go decision by the Board regarding the implementation of the recommendations in this report coupled with the task to charter a transition Task Force and the development of an Implementation Plan within the next 90 days. Such a plan would include the following:

- Workstreams
 - Charter the Department of Information Technology
 - Service Catalog
 - Cost Model
 - Funding Model
 - Detailed Organizational Structure with positions
- Activities and milestones for each workstream
- Workstream leads and resource requirements
- Budget estimates for internal and external costs
- Timeframes and critical milestones

CIO will report back to the Board quarterly days on status.

High Level Timeline and Milestones



Commit to the DoIT

Develop Implementation Plan

Manage the Transition

Build out Services and Functions

Implement Services & Functions

Develop Cost Model and Funding Approach

Implement Cost Model

Design the Organization

Create the Organization

July 2022

December 2022

June 2023

December 2023

June 2024



Critical Success Factors

Critical Success Factors

Creating a new Department of Information Technology with a range of new services and combining the current staff of CIO and ISD is a complex endeavor. It will require time, commitment and collaboration to succeed. The following provides a list of critical success factors for the design and development of LA County's integrated IT organization:

- Clear direction by the Board of Supervisors on the County wide IT operating model and consolidated IT organization
- Executive support, commitment and timely decision making is necessary at the highest County levels, including the Board, CEO, and ISD leadership
- County policy and standards are enacted to support the new consolidated IT organization, operating model, and IT procurement changes
- Continue a phased, collaborative, and transparent approach by creating a Task Force similar to the working group for this report who will guide and oversee the planning and implementation of the new IT Department and then a dedicated transformation team that will lead the transformation workstreams
- Implementation Task Force is empowered to lead the transformational change, within the boundaries of the Board direction and resources provided
- Realistic expectations, scope, timeline, and resources are needed to maintain current momentum and ensure continued County wide IT engagement
- County staff are dedicated to the transformation team, independent from their normal duties
- Any new services provided by the new consolidated IT organization must be resourced adequately to ensure their success, as well as ensure ongoing services continue to be successfully delivered
- Organizational change management and communications is a dedicated role and function on the transformation team



Additional Information

Additional Information

While it was not within the scope of this effort to determine the fiscal impact of the recommendations to the Board, Info-Tech, CIO, and the participating CIOs generally agree that the *fiscal impact of these changes in the long run will be net neutral*, if the scope of the new services are managed effectively.

New positions and services can be funded through re-allocation of vacancies and services that are no longer needed (or not needed at the same levels as in the past). Savings can also be realized by consolidating services and reducing complexity of today's charge back model.

The transition itself however will require initial funding for staff needed in the planning and creation of the new Department of Information Technology, as well as external consulting support for the organizational design, service portfolio management, service catalog development, cost model development, change management and communications. Developing cost estimates will be included in the initial planning effort.

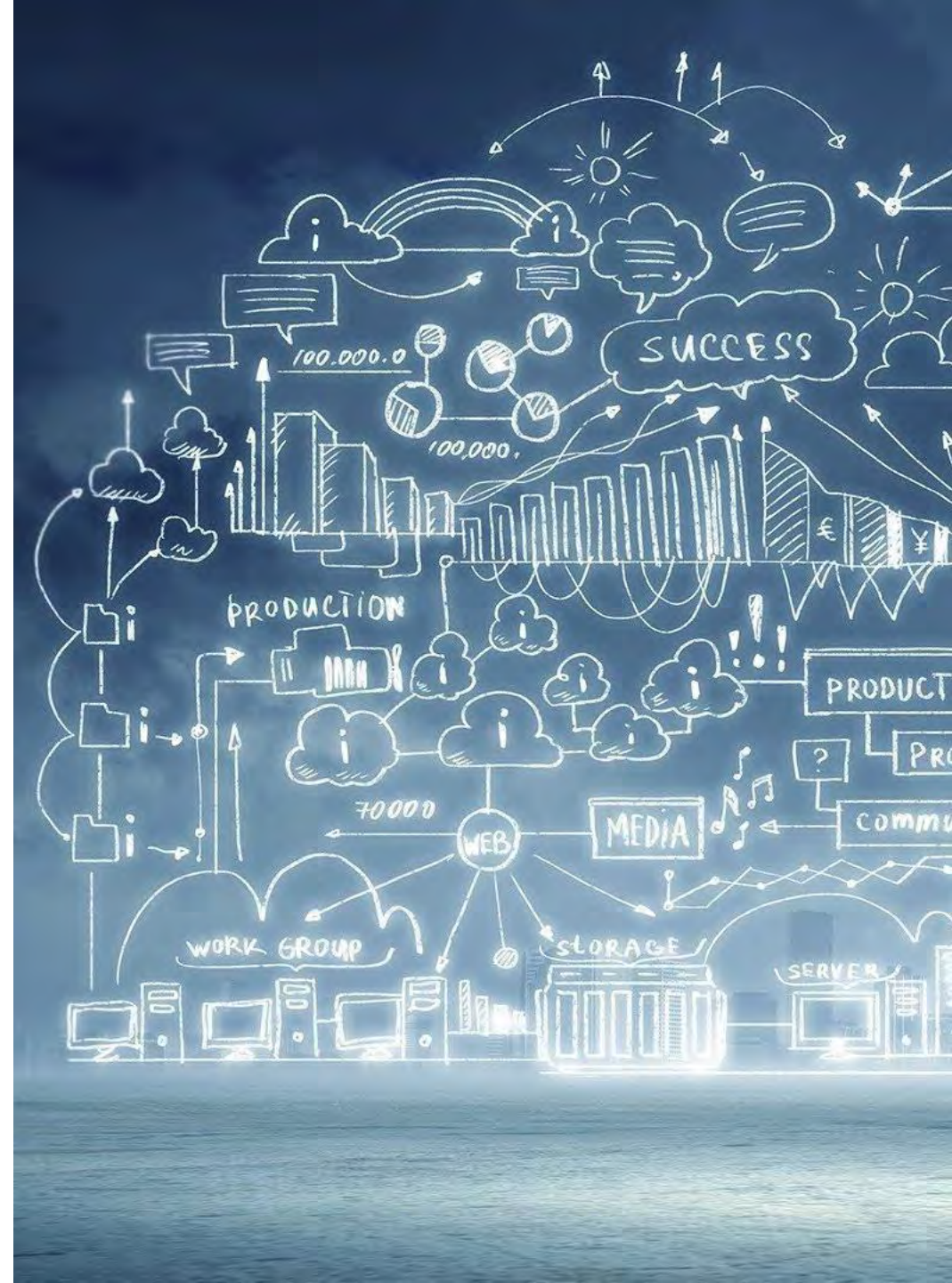


Los Angeles County
Office of the Chief Information Officer
Integrated IT Organization

Attachment A: Charter Outline & Guiding Principles

May 25, 2022

INFO~TECH



Charter Outline:

1. Mission and Vision Statement
2. Goals and Objectives
3. Scope
4. Current State
5. Target State
6. Project Team, Stakeholders, Resources
7. Phased Project Milestones
8. Sponsorship Signatures

Guiding Principles



Charter Outline

Mission & Vision

Vision

A vision statement illustrates where the company would like to see itself further down the line, what it hopes to achieve, and what its goals are.

Mission

A mission statement illustrates the purpose of the organization, what it does, and what it intends on achieving. Its main function is to provide direction to the organization and highlight what it needs to do to achieve its vision.

Sample Mission & Vision

Mission: The New York City Department of Information Technology & Telecommunications (DoITT) provides for the sustained, efficient, and effective delivery of IT services, infrastructure, and telecommunications to enhance service delivery to the City's residents, businesses, employees, and visitors.

Vision: A value driven culture, characterized by extraordinary employee commitment to enrich lives through effective and caring service, and empower people through knowledge and information

Goals & Objectives

Goals

Goals are high-level, specific objectives that need to be achieved to reach the target state.

Objectives

Objectives are measurable actions taken to achieve the goals. They are used to indicate when and if the target state vision is achieved.

Sample Goals & Objectives

- Make Investments That Transform Lives
- Foster Vibrant and Resilient Communities
- Realize Tomorrow's Government Today

Scope

Scope

The scope outlines the deliverables in detail and provides a common understanding of the integrated IT org scope to all stakeholders. It is used as a benchmark for future decisions.

Sample Scope

- Organization Charter Outline and Guiding Principles
- Integrated IT Operating Model and Organization Structure
- Funding Model Strategy and Approach
- Critical Success Criteria

Current & Target State

Current State

The current state provides an understanding of current maturity of the IT organization and where the organization stands currently from a capabilities standards.

Target State

A target-state describes what your department could look like when you are addressing your drivers and constraints. A target-state vision shows the end you want to achieve.

Sample Current & Target State

Current State: Interviews were conducted, and documents were reviewed to understand LA County's current IT landscape. Some successes and challenges noted:

- Success: (1) Quick adaptation to the pandemic by bringing in new technology and successfully executive work from home initiatives (2) Establishing new cyber security perimeter and governance standards
- Challenges: (1) Multiple departmental silos, (2) Limited evidence of cohesive IT strategies across department

Target State: A future facing IT organization model that aligns most closely with County governance structure and considers the roles and responsibilities of IT for county departments, CIO and ISD.

Project Team, Stakeholders, Resources

RACI

A RACI chart depicting the team structure, including the sponsor(s), steering committee, initiative lead, core team, subject matter advisors, and a table that defines responsibilities, authorities, and estimated effort required.

| Project Roles | Outline Business case: goal, risks, assumptions, benefits and costs | Manage Organization Communication | Review Design: (Dependency, Integration, etc.) | Prepare Evaluation Criteria: (i.e. Bus, IT, Data, User) | Develop Migration Plan | Data conversion | Test Plan | Validate Results |
|---|---|-----------------------------------|--|---|------------------------|-----------------|-------------|------------------|
| Executive Steering Committee | Informed | | | Informed | | | | |
| Project Sponsorship (i.e. Executive Sponsor) | Accountable | Responsible | | | | | | |
| Legal/Compliance | | | Consulted | Consulted | | | | Informed |
| Project Management (i.e. Project Manager) | | | Informed | Informed | Informed | Informed | Informed | Informed |
| Business Process Analysis (i.e. Project Manager, HR Specialist, Other SME) | | | Responsible | Responsible | | | | |
| System Administration (i.e. System Administrator) | | | Consulted | Consulted | Consulted | Consulted | Consulted | Consulted |
| Report Design and Creation (i.e. Payroll Specialist) | | | | | | | Consulted | Informed |
| Data Migration (i.e. Technical Resource, HR Specialist, Payroll Specialist) | | | | | Responsible | Responsible | | |
| Testing (i.e. All) | | | | | | | Responsible | Responsible |
| Security Administration (i.e. System Administration/ Technical Resource) | | | | | | | Consulted | Informed |

Mission & Vision Statement

Goals & Objectives

Scope

Current State

Target State

Project Team, Stakeholders, Resources

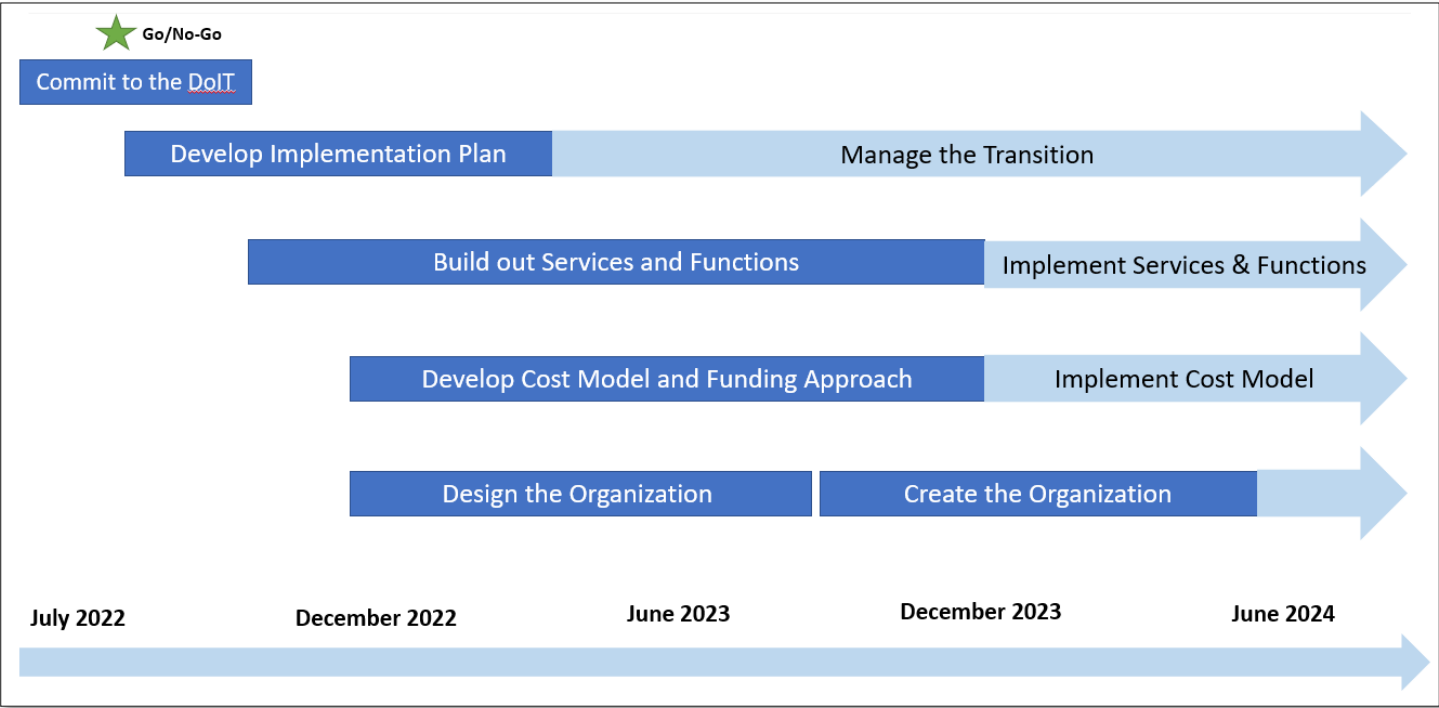
Phased Project Milestones

Sponsorship Signatures

Phased Project Milestones

Phased Project Milestones

Describes the key milestones and the overall project plan to keep management and/or project sponsors informed.



Sponsorship Signatures

Phased Project Milestones

This section contains the signatures of the initiative sponsor and other key stakeholders, signifying their agreement to the content of the charter as well as their level of contribution to the initiative as outlined in the charter.

Charter sign-offs

This section contains the signatures of the initiative sponsor and other key stakeholders, signifying their agreement to the content of the charter as well as their level of contribution to the initiative as outlined in the charter.

We hereby recommend the charter in its entirety:

Recommended by:

| | | | |
|-----------------------|-------------|-----------------------|-------------|
| Signature: _____ | Date: _____ | Signature: _____ | Date: _____ |
| Name and Title: _____ | | Name and Title: _____ | |

| | | | |
|-----------------------|-------------|-----------------------|-------------|
| Signature: _____ | Date: _____ | Signature: _____ | Date: _____ |
| Name and Title: _____ | | Name and Title: _____ | |

I hereby accept the charter in its entirety, and authorize the [Insert Project Here] initiative execution:

Approved by:

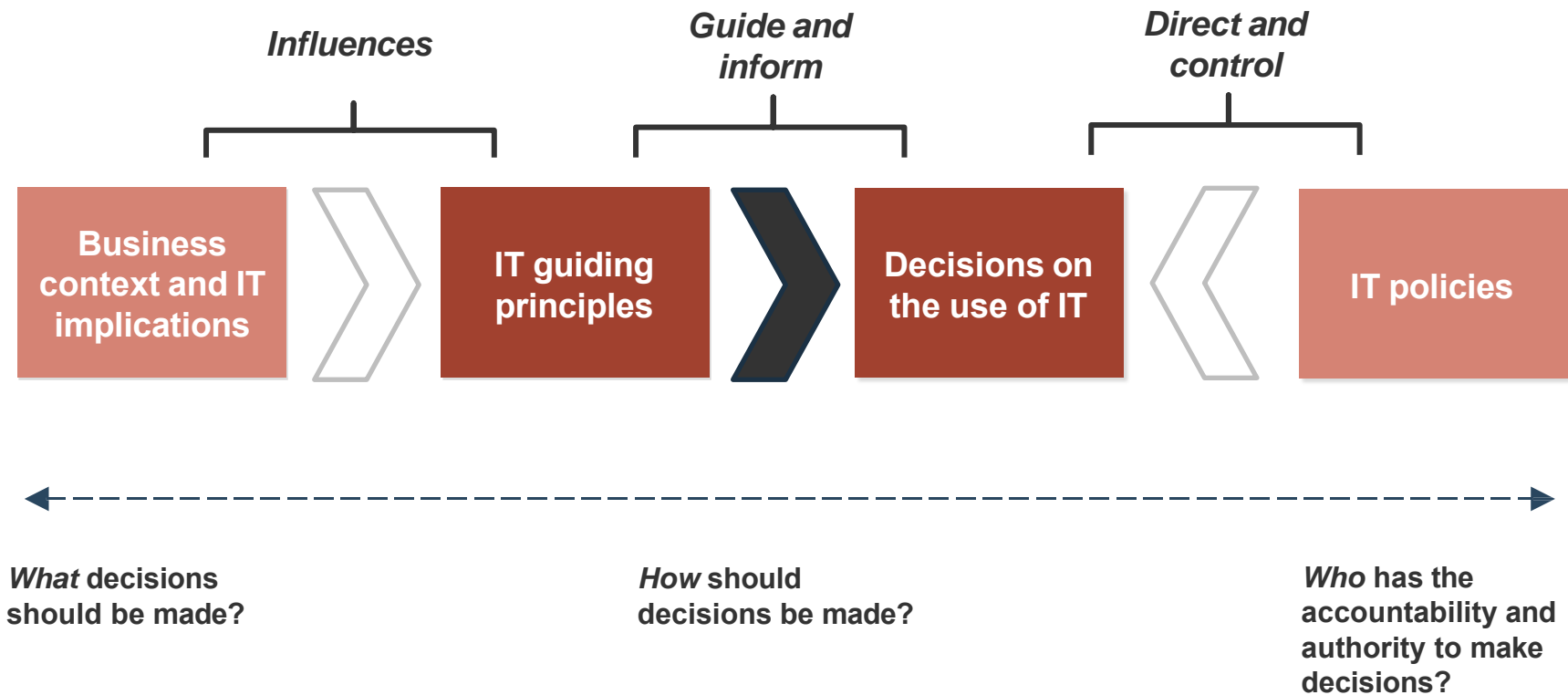
| | |
|-----------------------|-------------|
| Signature: _____ | Date: _____ |
| Name and Title: _____ | |



Guiding Principles

IT guiding principles advise the IT organization on making investment decisions

Guiding principles establish the beliefs and philosophy that guide decision making. These principles will serve as fundamental norms that help govern the rightfulness or wrongfulness of actions taken by the organization and respective departments.



Guiding Principles for the Integrated IT Organization

1

Support the **County's** Mission “to improve the quality of life in the County of Los Angeles by providing responsive, efficient, and high-quality public **services**”

2

Integrated IT Organization will improve:

- Accountability
- Transparency
- Support Diversity across all department
- Efficiencies through leveraging economies of scale across technology infrastructure, platforms and contracts

3

Enable continuous modernization of County Information Technology

4

Foster, encourage and support innovation and emerging technologies

5

Enable interoperative and collaborative decision making and services delivery

6

Securing **county's** digital assets



Los Angeles County
Office of the Chief Information Officer
Integrated IT Organization

Attachment B: Services & Functions, and
Integrated IT Organization Structure

May 25, 2022

INFO~TECH



- Background & Definitions
- Recommended Consolidated IT Organization Structure
- County-wide Services Description

Background and Definitions

Integrated IT Organization

The new organization to be created by combining today's Office of the CIO with ISD's ITS organization.

County Department "Organization"

IT responsibilities are operated and managed from end-to-end within each unit.

Hybrid/Federated

Describes the operating model in which IT responsibilities in the County are shared between a central, Integrated IT Organization and departmental IT organizations. While many services may be only provided by one or the other, some will be provided by both.

Function

A group that has a discrete set of services or capabilities that it is responsible for, which don't overlap with any others.

Service

A collection of business and technology activities or support provided by IT for consumption by the departments

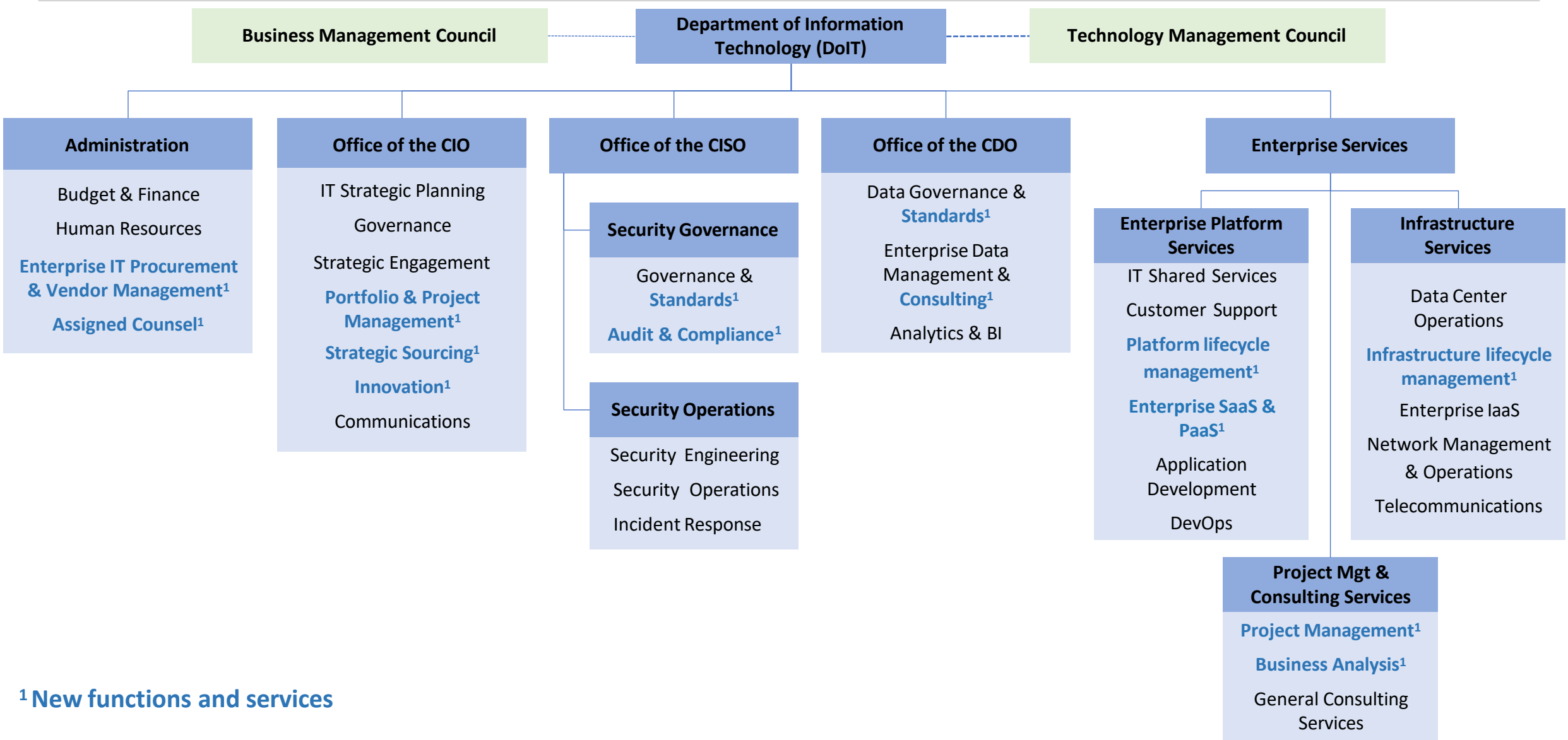
Key Activities

Detailed tasks completed to deliver a service – generally out-of-scope



Service Descriptions

Recommended Consolidated IT Organization Structure



¹ New functions and services

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Administration | Services | Definition |
|----------------|--|--|
| | <div>Budget & Finance</div> <div><ul style="list-style-type: none">Budget DevelopmentBusiness & Financial Management Services</div> | <p>Develop a budget for IT and support individual IT groups in their separate budget development. Manage the IT-related financial activities and prioritize spending using formal budgeting practices. Provide transparency and accountability of the cost and business value of IT solutions and services.</p> <p>Administration of the Information Technology and Legacy Modernization Funds.</p> |
| | <div>Human Resources</div> <div><ul style="list-style-type: none">Strategic workforce planningResource ManagementEmployee EngagementLearning & Development</div> | <p>Manage the people and people processes across the many IT groups in the County.</p> |
| | <div>Enterprise Procurement & Vendor Mgmt</div> <div><ul style="list-style-type: none">Procurement & Vendor Governance and StandardsCommodity PurchasesVendor Portfolio ManagementRFPs for IT ProjectsContractingProfessional Services MSAsMSP Relationship Management</div> | <p>ISD's Contracts Services helps County departments develop various contract solicitation processes including Request for Proposals, Request for Statements of Qualifications and Statements of Work. ISD Contracts staff also assist departments in the entire solicitation process such as meeting with vendors, evaluating proposals and bids, coordinating solicitation protests and recommending contract awards to the Board of Supervisors.</p> <p>Manage IT-related services provided by all suppliers, including the selection of suppliers, management of relationships, management of contracts, and reviewing and monitoring of supplier performance.</p> |
| | <div>Assigned Counsel</div> <div><ul style="list-style-type: none">Counsel Engagement</div> | <p>Engaging with counsel to understand key priorities and identify how this will affect the priorities and strategy of IT, including IT contracts and data sharing agreements.</p> |

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Services | Definition |
|--|---|
| <div>IT Strategic Planning</div> <div><ul style="list-style-type: none">Strategic Planning & Alignment</div> | Define IT’s strategy, priorities, decision making criteria and governing bodies. |
| <div>Governance</div> <div><ul style="list-style-type: none">Standards & PoliciesIT Governance</div> | Set and administer processes to allow all county departments to achieve its objectives by ensuring effective and efficient use of IT applications. |
| <div>Strategic Engagement</div> <div><ul style="list-style-type: none">Strategic Engagement / BRM</div> | Engage with key clients across the county and build a relationship to understand their IT and business needs. |
| <div>Portfolio & Project Management</div> <div><ul style="list-style-type: none">County-wide Investment Strategy</div> | Manage all IT programs and projects from the portfolio in alignment with the business strategy. Initiate, plan, control, and execute programs and projects to ensure that the business realizes project benefits while experiencing few delays and cost overruns. |
| <div>Innovation</div> <div><ul style="list-style-type: none">Innovation Governance & StandardsIdeationPrototypeService ImprovementInnovation & Business Management</div> | Maintain an awareness of information technology and related service trends, identify innovation opportunities, and plan how to benefit from innovation in relation to business needs. Analyze what opportunities for business innovation or improvement can be created by emerging technologies, services, or IT-enabled business innovation, as well as through existing established technologies and by business and IT process innovation. Influence strategic planning and enterprise architecture decisions. |
| <div>Communication</div> <div><ul style="list-style-type: none">Strategic Communication / Stakeholder Management</div> | Build key communication documents to communicate the IT strategy, strategic priorities and initiatives, success stories, and provide performance updates to both IT staff and business leaders. |

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Services | | Definition |
|---------------------|---|--|
| Security Governance | <div>Security Governance & Standards</div> <ul style="list-style-type: none">Security Governance & StandardsSecurity StrategyCyber Governance | Define, operate, and monitor a system for information security management. Keep the impact and occurrence of information security incidents within the business' risk appetite levels. Continually identify, assess, and <small>reduce</small> IT-related risk within levels of tolerance set by the business. |
| | <div>Audit & Compliance</div> <ul style="list-style-type: none">Compliance, Audit & Review | Ensure that IT processes and IT-supported business processes are compliant with laws, regulations, and contractual requirements. |
| Security Operations | <div>Security Engineering</div> <ul style="list-style-type: none">Security DetectionSecurity PreventionResponse & Recovery | Design and implement security management practices in order to effectively respond to security incidents, information security in BCM, <small>execute</small> backup and recovery, and eDiscovery & forensics. |
| | <div>SecOps</div> <ul style="list-style-type: none">Security OperationsRisk Management | Monitor and assess security risks for the County. |
| | <div>Incident Response</div> <ul style="list-style-type: none">Cyber Security | Effectively identify and respond to cyber threats and incidents. Define policies and procedures to allow County to prevent and coordinate response to cybersecurity incidents. |

| Office of the CDO | Services | Definition |
|-------------------|--|---|
| | <div>Data Governance & Standards</div> <div><ul style="list-style-type: none">• Data Governance• Data Standards• Data Quality & Governance</div> | Put policies, processes, and capabilities in place to ensure that appropriate targets for data quality are set and achieved to match the needs of the business. |
| | <div>Enterprise Data Mgmt & Consulting</div> <div><ul style="list-style-type: none">• Data Architecture• Database Operations• Enterprise Content Management</div> | Provide County customers with access to advanced Enterprise Content Management (ECM) tools to assist in managing, storing and accessing the documents and data that are vital to your business operations. Provide end-to-end solutions that help capture, integrate and manage content from your desktop. |
| | <div>Analytics & BI</div> <div><ul style="list-style-type: none">• Business Analytics & Reporting• Financial Analytics• People Analytics in a short period of time.</div> | ISD's Countywide Business Analytics & Reporting (BA&R) service helps County departments and agencies turn data into information, information into knowledge and knowledge into plans. Our turn-key Business Analytics & Reporting platform provides the ability to rapidly develop and implement analytics and reports, allowing you to focus on key business drivers which result in informed decisions and process improvements |

Enterprise Services

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Enterprise Services | | Services | Definition |
|------------------------------|--|--|---|
| Enterprise Platform Services | | <div>IT Shared Services</div> <ul style="list-style-type: none">Shared Services Model | Provide centralized information technology (IT) services that will provide departments with cost effective access to the ISD's IT infrastructure, technologies and expertise. |
| | | <div>Customer Support</div> <ul style="list-style-type: none">Midrange ComputingService Desk & Incident ManagementProblem ManagementProvisioning of End Use DevicesDemand Management | Provide timely and effective response to user requests and resolution of all types of incidents. Restore normal service; record and fulfill user requests; and record, investigate, diagnose, escalate, and resolve incidents. Identify and classify problems and their root causes and provide timely resolution to prevent recurring incidents. Reduce the number of operational problems. ISD provides County departments with end-to-end delivery – including hardware provisioning and installation – of telephone services to customer desktops and telephone network access. |
| | | <div>Platform Lifecycle Management</div> <ul style="list-style-type: none">Application Portfolio & Lifecycle Management | Manage the organization's suite of applications by determining each application's ability to provide value to the business relative to its cost. Identify which applications to retire, grow or replace, repurpose or sustain. |
| | | <div>Enterprise SaaS & PaaS</div> <ul style="list-style-type: none">Enterprise Applications / Systems Platforms | Administration and operation of enterprise public cloud Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS) platforms and services. |
| | | <div>Application Development</div> <ul style="list-style-type: none">Application MaintenanceApplication Hosting | Any activities involved between the conception of a desired application through the final materialization of that application contained within the software development lifecycle (SDLC). |
| | | <div>DevOps</div> <ul style="list-style-type: none">Software DevelopmentIT Operations | Define processes and tools to allow County to deliver and/or improve applications and products in an efficient manner. |

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Enterprise Services | | Services | Definition |
|---------------------|---------------------------------|---|---|
| Enterprise Services | Project Management & Consulting | <div>Project Management Services</div> <ul style="list-style-type: none">PMOProject OversightIT Project Management (Staff Augmentation) | Manage all IT programs and projects from the portfolio in alignment with the business strategy. Initiate, plan, control, and execute programs and projects to ensure that the business realizes project benefits while experiencing few delays and cost overruns. |
| | | <div>Business Analysis</div> <ul style="list-style-type: none">Requirements Analysis | The process of collecting and managing the requirements of a system, application, or team from executives, end users, and other stakeholders. |
| | | <div>General Consulting Services</div> <ul style="list-style-type: none">PM Consultancy Services | Provide strategic and effective guidance to the organization for managing various projects and troubleshooting any internal/external issues. |

Existing Work Unit

Adjusted Work Unit

New Work Unit

| Enterprise Services | | Services | Definition |
|-------------------------|-------------------------|--|---|
| Infrastructure Services | Infrastructure Services | <div>Data Centre Operations</div> <ul style="list-style-type: none">Cloud Computing ServicesBusiness Backup & Recovery | ISD Computing Services operates the County Data Center processing over a million transactions from more than 40,000 personal computers every day. With the implementation of leading technology services such as cloud computing and virtual servers, ITS is key to assisting County Departments maximize their technology resources. |
| | | <div>Infrastructure Lifecycle Management</div> <ul style="list-style-type: none">Infrastructure rationalizationInfrastructure Configuration Management | Manage the organization's infrastructure lifecycle by determining each infrastructure asset's ability to provide value to the organization relative to its cost. Develop and maintain the infrastructure roadmap, including when to retire, grow or replace, repurpose or sustain. |
| | | <div>Enterprise IaaS</div> <ul style="list-style-type: none">Training | County's adoption of public cloud Infrastructure-as-a-Service (IaaS) products and services that provide the ability to provision processing, storage, networks, and other fundamental computing resources. |
| | | <div>Network Management & Operations</div> <ul style="list-style-type: none">LANWANAvailability & CapacityOperations ManagementInternet and Intranet websitesCCTV | <p>ISD monitors, maintains and optimizes the data communication networks for over 850 County locations, including network design and operation support services for wide (WAN), local (LAN) and wireless local (WLAN) area networks. ISD assist departments with the planning, design and implementation of networks including equipment acquisition and installation as well as ongoing monitoring and maintenance of systems.</p> <p>Manage the activities and operational procedures required to deliver IT services, including standard operating procedures and monitoring activities.</p> |
| | | <div>Telecommunications</div> <ul style="list-style-type: none">Telephone networks | ISD Telecommunications provides cost-effective and reliable voice, data and video communications through a vast telecommunications network. |



Los Angeles County
Office of the Chief Information Officer
Integrated IT Organization

Attachment C: Funding Approach

April 26, 2022

INFO~TECH

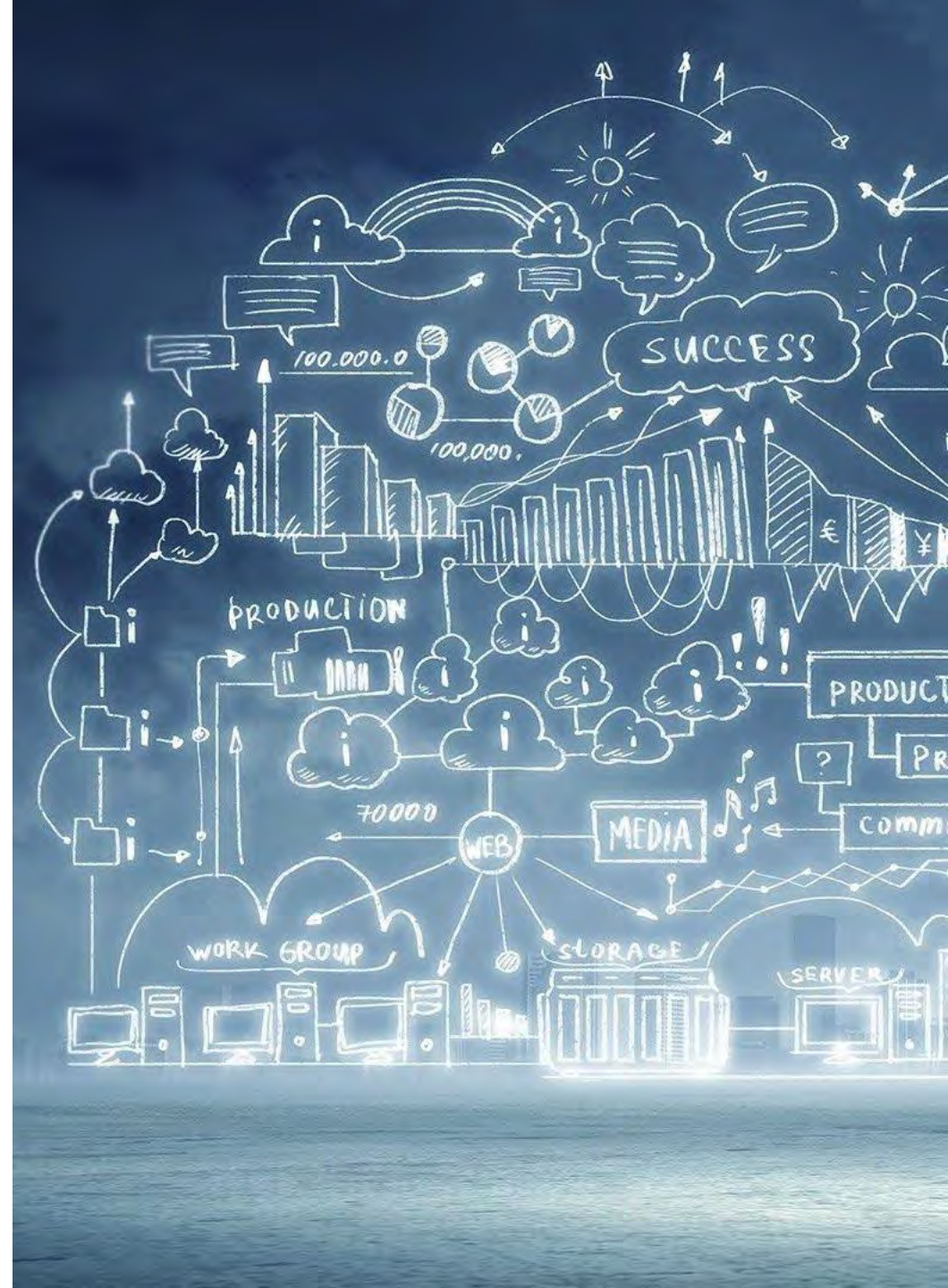


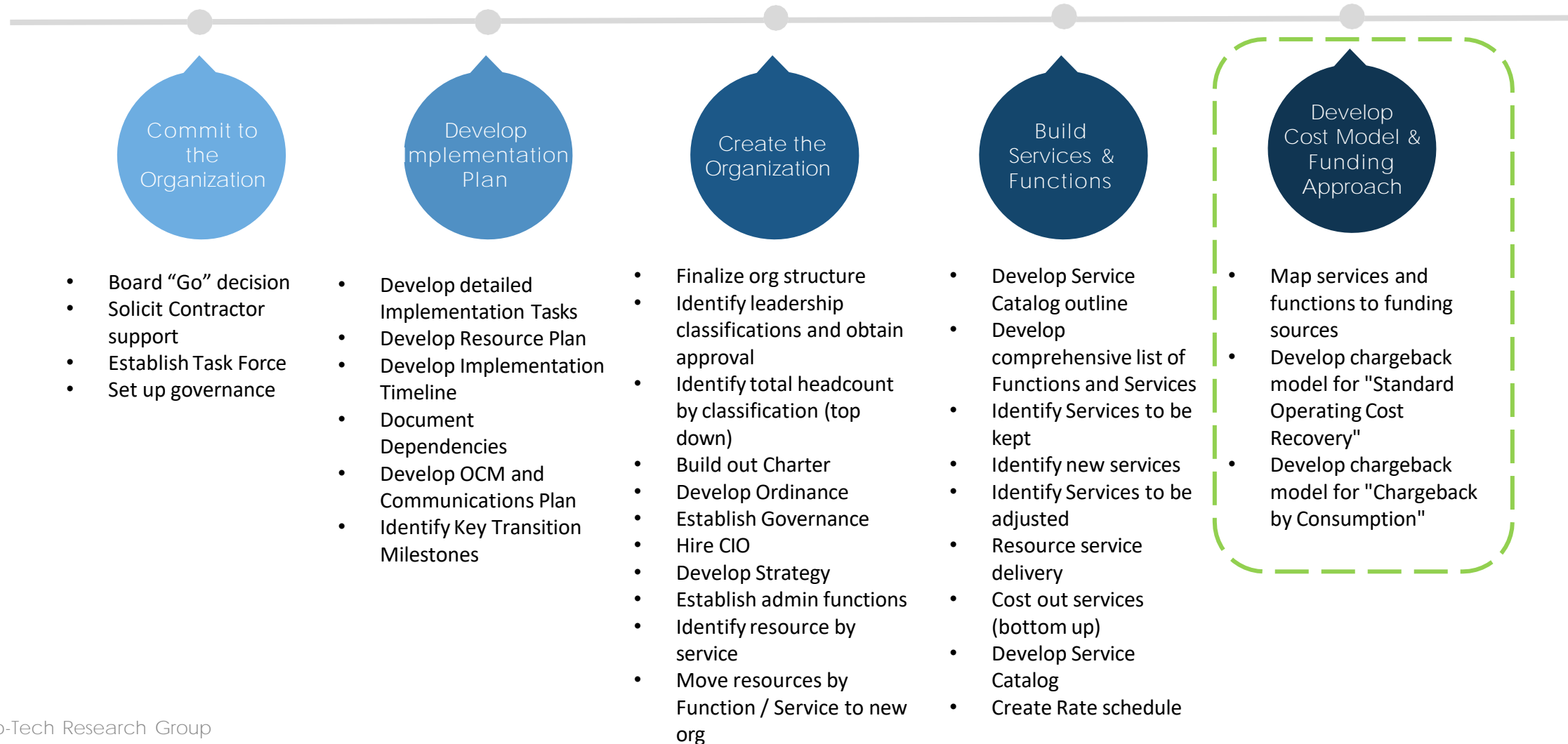
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- High-Level Timeline & Milestones
- Guiding Principles for Funding Integrated IT
- County Funding Mechanisms for IT
- Criteria & Examples



High-Level Timeline & Milestones

High-Level Timeline & Milestones





Guiding Principles for Funding Integrated IT

Guiding Principles for Funding Integrated IT

Delivering Los Angeles County's services and operating the County's business is enabled by and dependent upon business technology. Funding of the County's business technology must not only be [stable](#), but [continuous improvements and investments](#) must be made to:

1

Enable adoption of enterprise platforms and solutions

2

For simple, transparent and enabling cost management:

- To consumers (Departments)
- Total cost of IT for the County

3

Enable continuous modernization of County Information Technology

4

Support the true IT asset lifecycle management

5

Leverage economies of scale for enterprise platforms, infrastructure and services

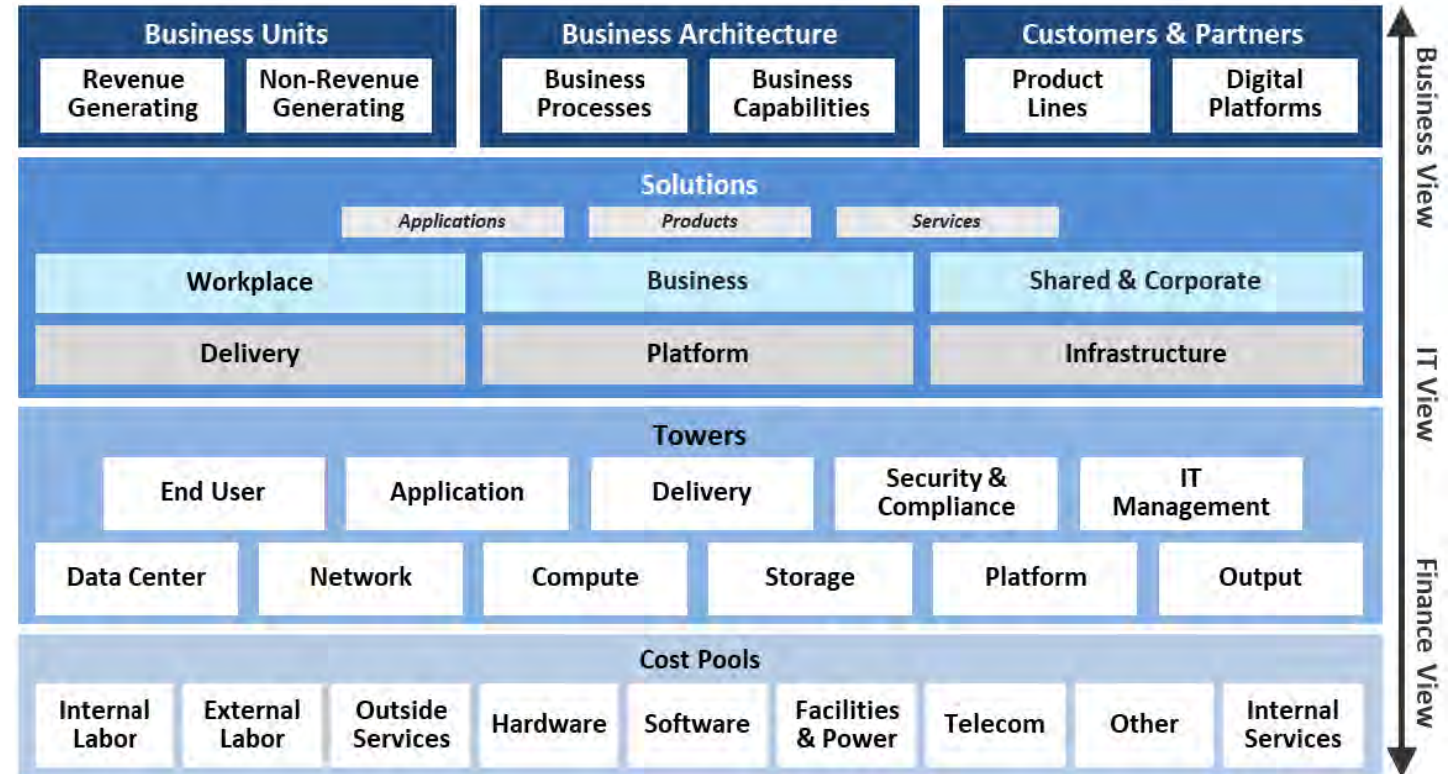
6

Leverage common practices, patterns and processes that already exist in the County, minimize new major changes to county budgeting policy and processes

Technology Business Management (TBM) Framework

Technology Business Management (TBM) is a discipline that improves business outcomes by giving organizations a consistent way to connect business value to technology investments by using a standard IT spend taxonomy to map technology assets and resources to business outcomes. TBM provides the cost transparency of IT to:

- **Optimize:** Continuously improve the unit cost of technologies and services while keeping cost and quality in proper balance.
- **Rationalize:** Better focus of time and resources on the services, applications, technologies and vendors that drive the most value.
- **Innovate:** Mission/business and IT partnership that ensures maximum value from technology investments
- **Transform:** Provide mission/business partners with agility to “pivot” more quickly to exploit innovation and capitalize on new opportunities





Funding Mechanisms for IT

Five County Funding Mechanisms for IT

| Type | Description |
|---|--|
| Net County Cost (NCC) | The Net County Cost (NCC) is the County's "General Fund". Budgeted and allocated annually. |
| County Cost Allocation Plan (CCAP) | Funded by NCC but represents cost distributed by countywide allocation that can be submitted for reimbursement, subject to state grantor agency approval prior to the reimbursement of certain costs allocated, billed, or cost applied. |
| Standard Operating Cost Recovery* | Capacity-based cost recovery for select technology overhead and baseline services required to conduct County business by staff and departments (e.g., eCAPS, security, licensing for productivity tools) – generally charged based on a "per employee" basis. |
| Chargeback by Consumption* | Consumption-based cost recovery for technology services based on their consumption of the (e.g., hardware, software, maintenance). Costs are charged back to departments based on usage as defined in a Service Catalog. The Service Catalog includes a service description, SLAs and a rate schedule. |
| Public & Private Grants, Philanthropy and Venture Capital | Funding provided by public and private sector, philanthropic organizations and venture capitalists for the initiation and execution of innovation and modernization projects and programs within the County. In most cases funding is based on a grant application process. |

Criteria & Examples

| Type | Description | Criteria and Examples |
|------------------------------------|--|---|
| Net County Cost (NCC) | The Net County Cost (NCC) is the County's "General Fund". Budgeted and allocated annually. | <ul style="list-style-type: none">• Portion of the County budget that is financed with locally generated revenues.• Limit use of this funding approach for IT related services.• Examples include Legacy Modernization Fund and Information Technology Fund. |
| County Cost Allocation Plan (CCAP) | Funded by NCC but represents cost distributed by countywide allocation that can be submitted for reimbursement, subject to state grantor agency approval prior to the reimbursement of certain costs allocated, billed, or cost applied. | <ul style="list-style-type: none">• One-time costs to help close gaps, level up, e.g. MS365 one-time true up.• Generally funded by legacy, ITF and some cases NCC.• Use for one-time funding for significant program capital costs, e.g. cybersecurity and establishing county data center services.• Portion of NCC to subsidize overhead rate associated with countywide chargeback options- to maintain market competitiveness. |

Criteria & Examples

| Type | Description | Criteria and Examples |
|----------------------------------|---|---|
| Standard Operating Cost Recovery | Capacity-based pricing: Setting service unit prices as a percent of the total service volume that IT is capable of providing overall. Unit prices will remain fixed across cycles unless the percent setting is changed. Total charges depend on overall consumption and departments are generally charged based on a “per employee” basis. | <ul style="list-style-type: none">• Administrative and operational costs for countywide services, e.g. eCAPS, Telephone Utilities, and cybersecurity infrastructure.• Recovery of platform and infrastructure lifecycle costs.• Presumption that this would be allocated to all departments.• Many of these can be charged quarterly to accommodate department cash flow and lower administrative costs . |

Criteria & Examples

| Type | Description | Criteria and Examples |
|---|--|--|
| Chargeback by Consumption | Usage-based pricing: Setting service unit prices equitably based on consumption levels by each business unit. Unit prices will vary with overall consumption each cycle. Costs are charged back to departments based on usage as defined in a Service Catalog. The Service Catalog includes a service description, SLAs and a rate schedule. | <ul style="list-style-type: none"> • Services that are consumed on an as needed basis • County eCloud services, desktop and laptop computer installation, software and hardware maintenance. |
| Public & Private Grants, Philanthropy and Venture Capital | Funding provided by public and private sector, philanthropic organizations and venture capitalists for the initiation and execution of innovation and modernization projects and programs within the County. | <ul style="list-style-type: none"> • Seed funding for Innovation initiatives • Public and private grants for specific projects or initiatives • Not currently leveraged • Need for grant writers to pursue grant opportunities. • Some ARPA- ex. 4MM used for some of the Wi-Fi • Grant service broader than just philanthropic- all depts could use • You can build in overhead. |



Los Angeles County
Office of the Chief Information Officer
Integrated IT Organization

Attachment D: Organizational Structures
of Jurisdictions similar in size and
complexity to LA County

June 10, 2022

INFO~TECH

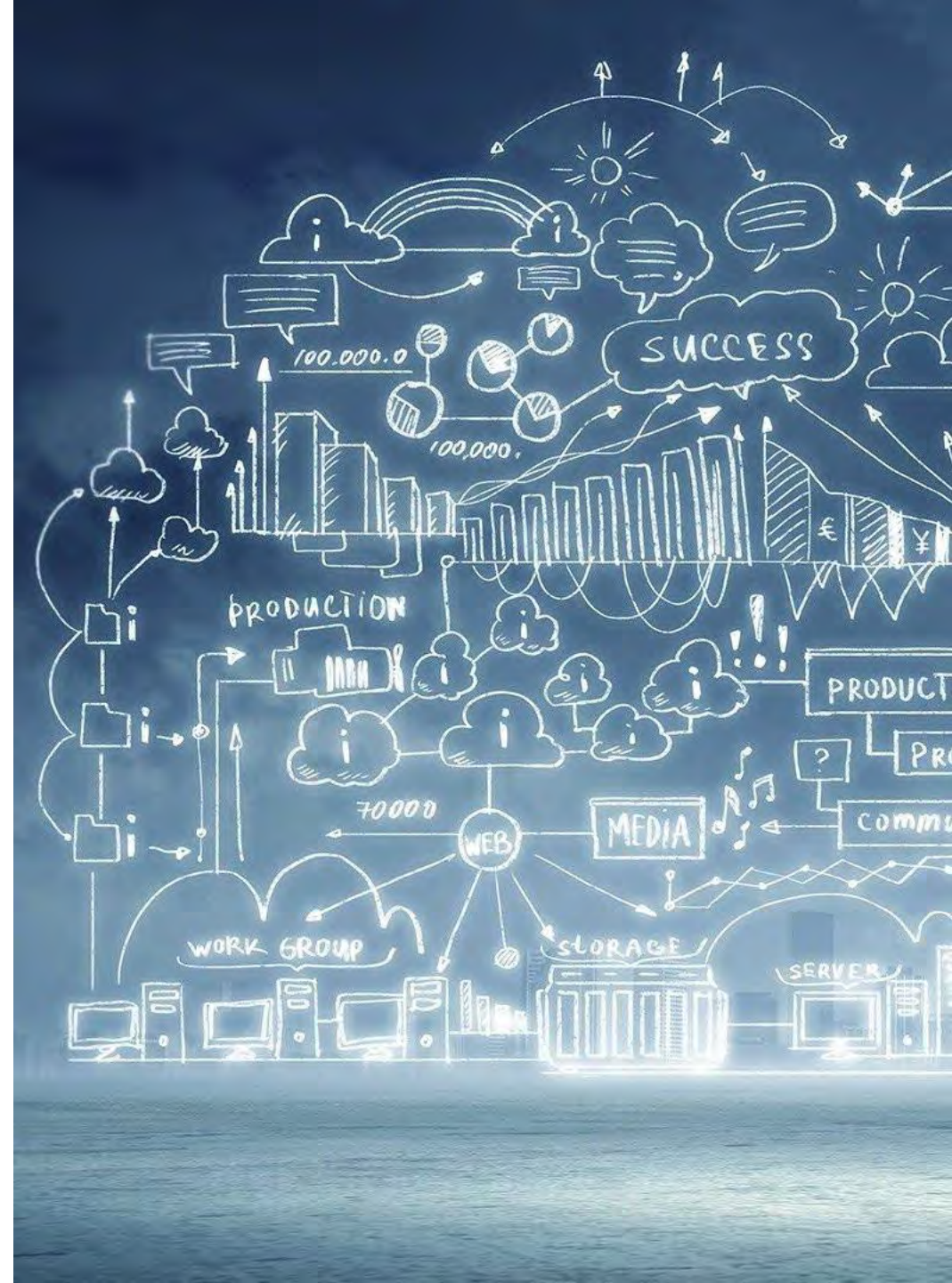
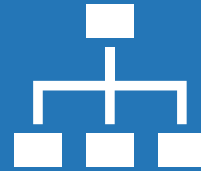


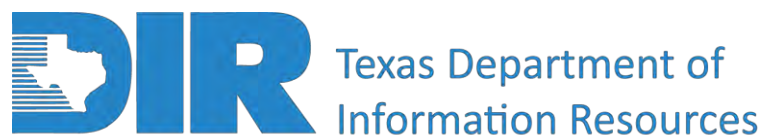
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- State of Washington Office of the Chief Information Officer
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- California Department of Technology (CDT)
- Texas Department of Information Resources
- San Diego County Technology Office
- State of Oregon Enterprise Information Services (EIS)
- King County Department of Information Technology
- Maricopa County Information Technology Services
- Dallas County Office of Information Technology
- Cook County Bureau of Technology



Organizational Structures of Jurisdictions similar in size and complexity to LA County

Other Comparable Jurisdictions

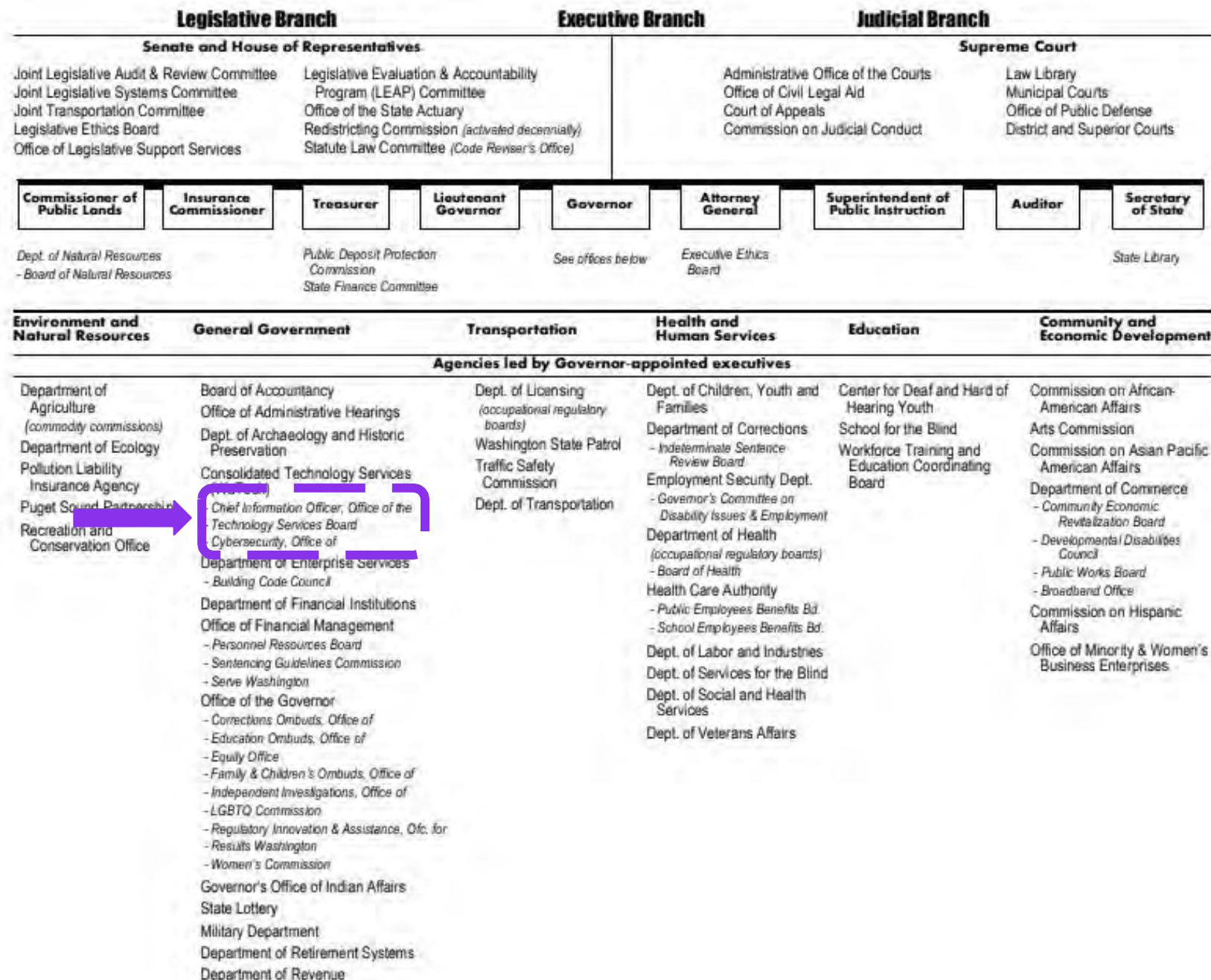


State of Washington Office of the Chief Information Officer

The Office of the Chief Information Officer (OCIO) sets information technology (IT) policy and direction for the State of Washington. The State CIO is a member of the Governor's Executive Cabinet and advisor to the Governor on technology issues.

The OCIO's unique role in state government is to:

- Create clarity and alignment for IT investments
- Provide strategic direction and enterprise architecture for state government
- Enable standardization and consolidation of IT infrastructure
- Establish standards and policies for efficient and consistent operations
- Educate and inform policy leaders
- Create and nurture a cohesive operating IT community
- Bring technology expertise to improve the business of Government
- Foster innovation and experimentation to bring modern capabilities to Government
- Together with OFM Budget the OCIO will bring a big picture view of agency investments and strategies, assuring that agency investments will fit into an enterprise view of IT.



Ohio Department of Administrative Services, Office of Information Technology



Department of
Administrative Services

The DAS Office of Information Technology (OIT) delivers statewide information technology and telecommunication services to state government agencies, boards and commissions as well as policy and standards development, lifecycle investment planning and privacy and security management.

The following OIT sections carry out these responsibilities according to the DAS mission, vision, goals and principles to provide service, support and solutions that improve state government:

- State Chief Information Officer's Office - The State Chief Information Officer is responsible for the strategic direction and efficient use of information technology across the state and for oversight of state IT activities
- Investment and Governance Division - Assists state agencies by providing IT policy and, standards, as well as investment planning and management, research and project support services.
- Infrastructure Services Division - Operates the IT infrastructure for the state, which includes hardware, software and telecommunications.
- Enterprise Shared Solutions - Coordinates strategies for delivery of government information and services electronically

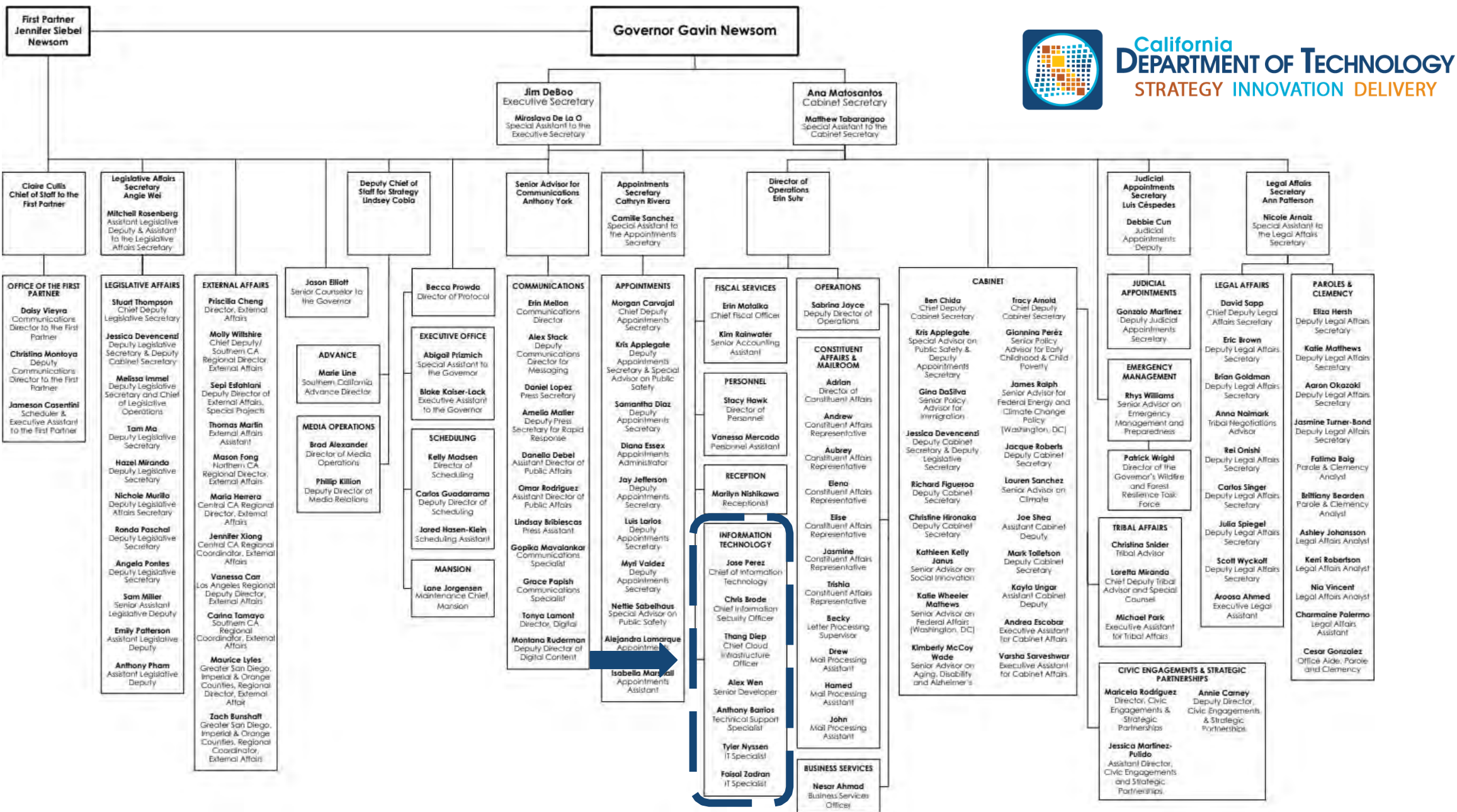


California Department of Technology (CDT)

The California Department of Technology leads the state's drive to deliver clear, fast, dependable, and equitable public services. It provides for the delivery of digital government services through the oversight of statewide IT strategic planning, project delivery, procurement, policy and standards, and enterprise architecture.

Home to the State Data Center, CDT provides infrastructure services for government customers that include on-premises and cloud-based services. CDT is leading statewide broadband planning and execution to deliver digital equity and reliability for all Californians. The Director of CDT is also the State Chief Information Officer (CIO), and advises the Governor on the strategic management and direction of the state's IT resources and policies.

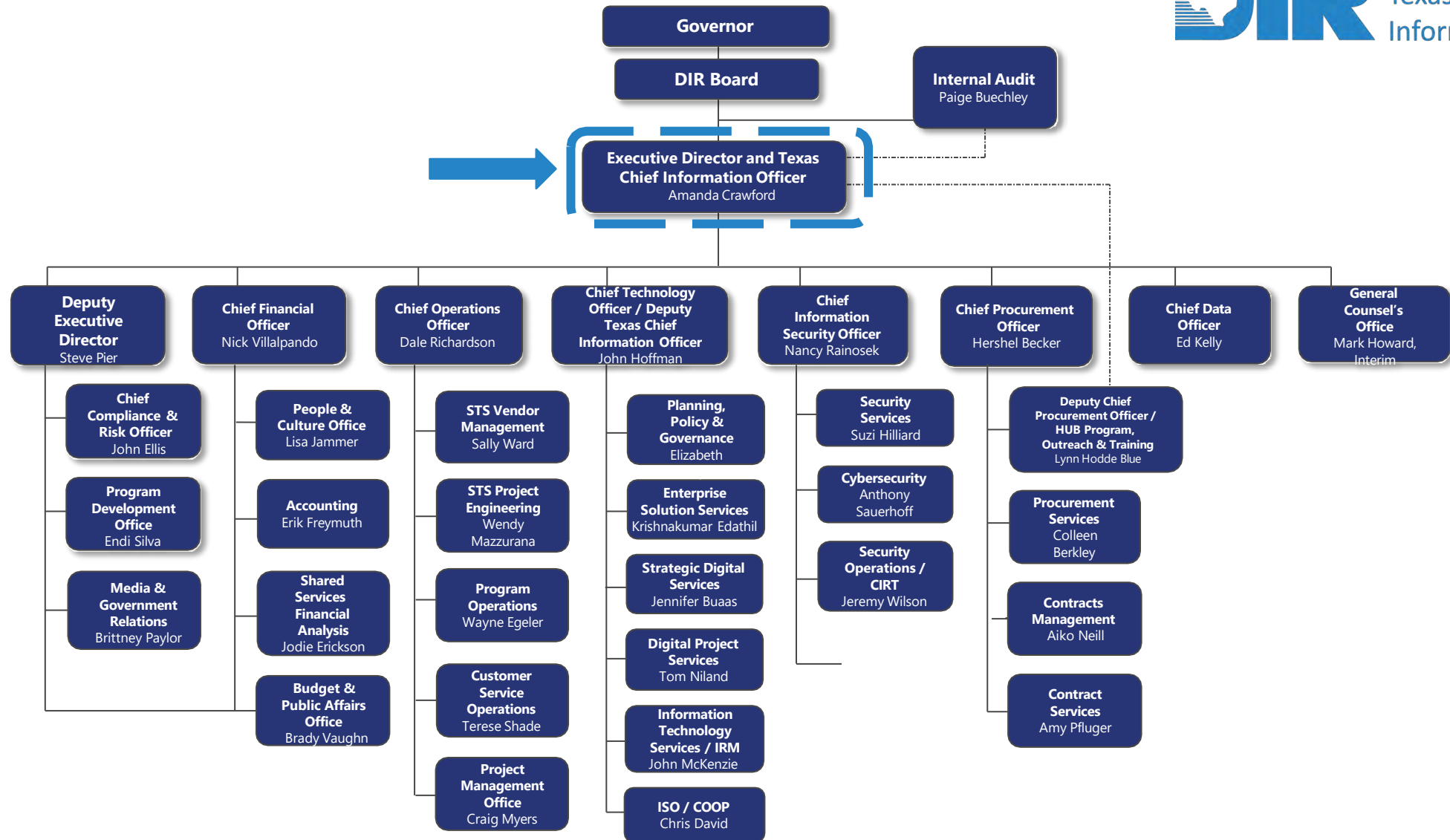
Key role/responsibility and authority include policy formation, inter-agency coordination, IT project oversight, information security, technology service delivery, and advocacy.



Texas Department of Information Resources

The Texas Department of Information Resources (DIR) delivers technology solutions to state and local government entities. Specifically, DIR is here to:

- Offer purchasing support and policy insights so organizations across all levels of Texas government can find and securely implement modern technology
- Set forth strategic direction for IT statewide through policies and guidance
- Analyze cybersecurity risks and solutions
- Empower state and local government entities with reliable and secure technology
- Assist with technology procurement/purchasing
- Collaborate with technology vendors
- Create a dynamic online community for knowledge sharing

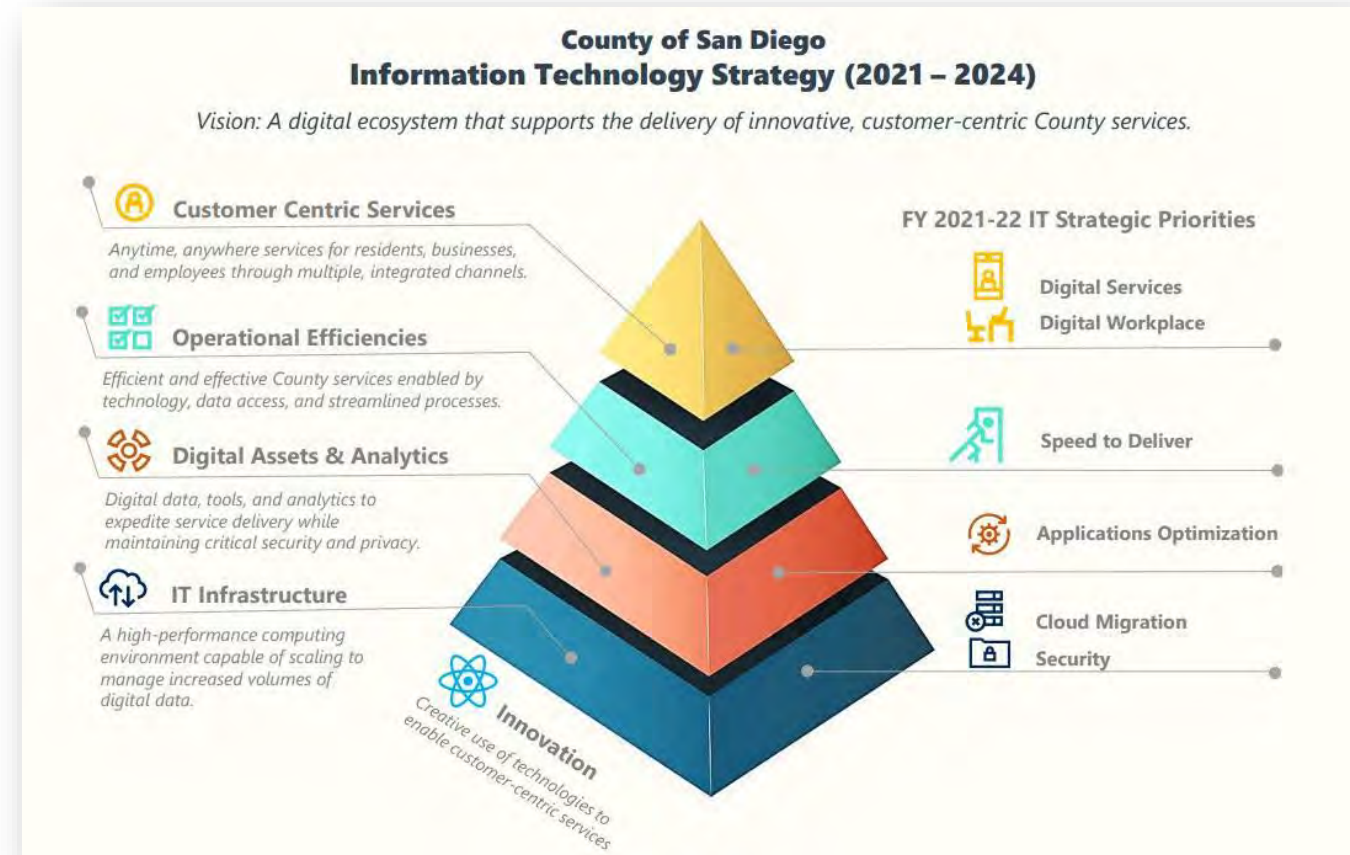


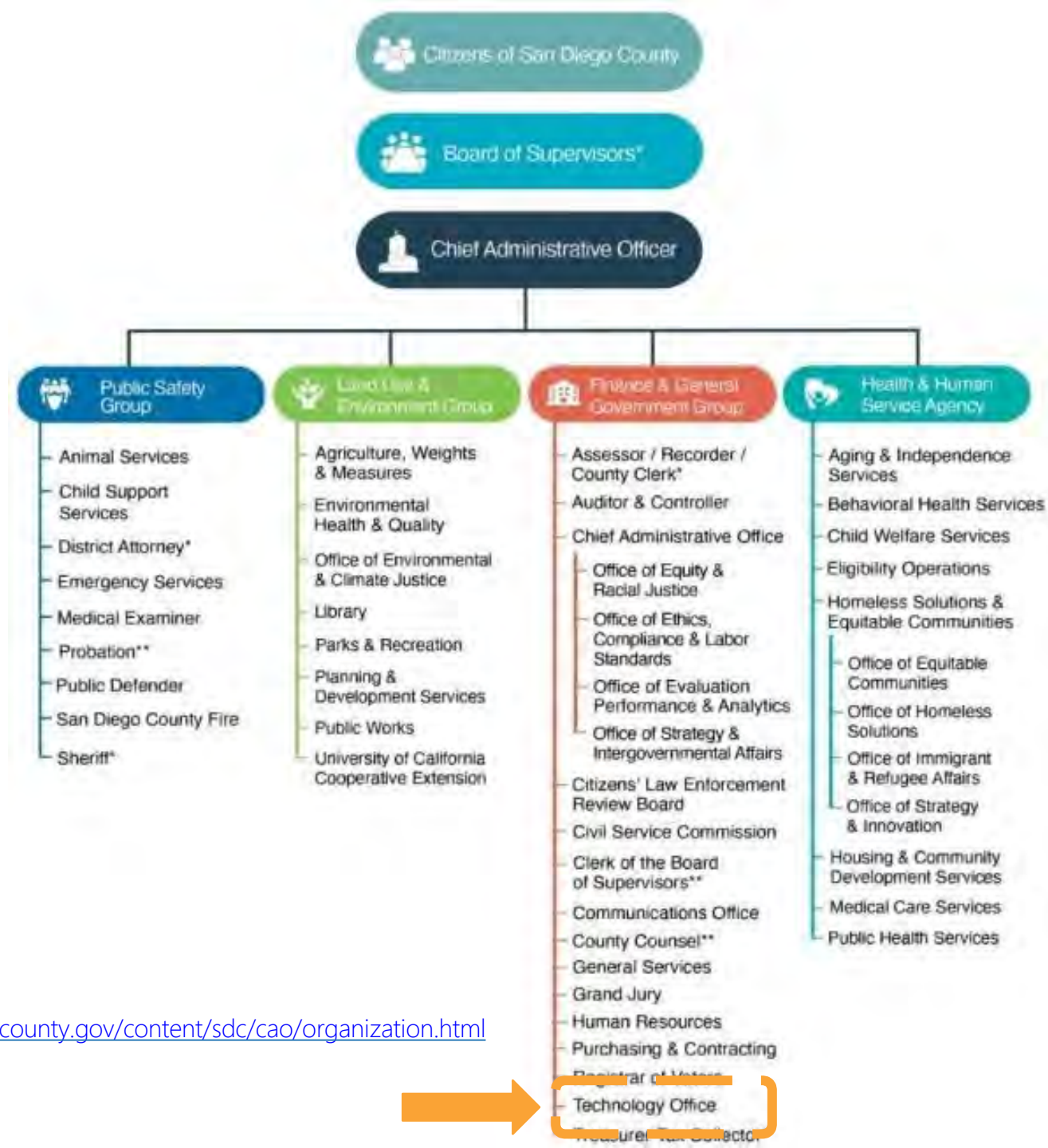
San Diego County Technology Office



The County Technology Office (CTO) supports a full range of IT services for County Employees and San Diego County residents. The purpose of the CTO is to lead, guide, and facilitate the optimal business management of information technology by County Business Groups and departments.

The mission is to guide the enterprise toward solutions that meet the diverse needs of our County customers through continuous improvement, thought leadership and operational excellence.





<https://www.sandiegocounty.gov/content/sdc/cao/organization.html>

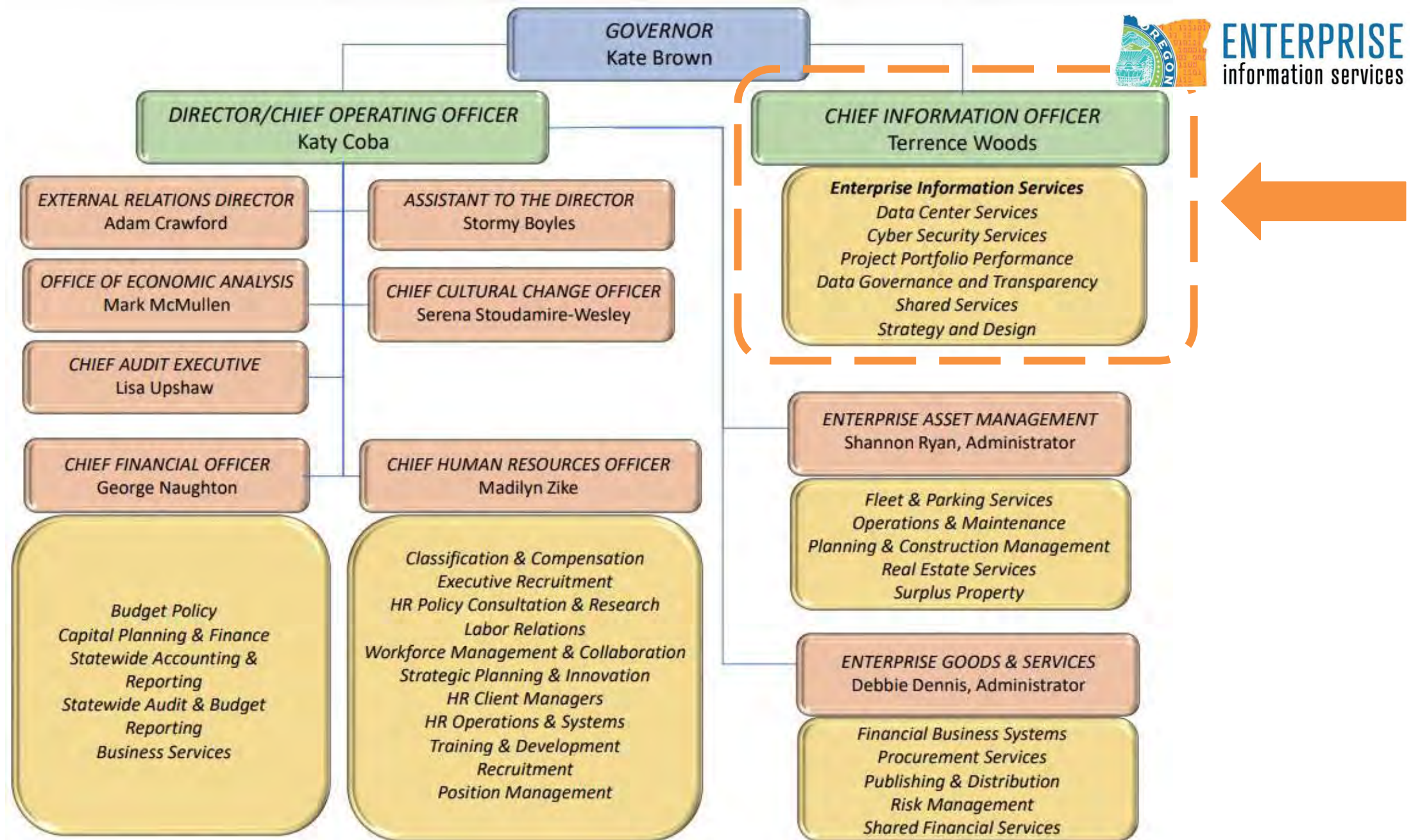
State of Oregon Enterprise Information Services (CDT)



Enterprise Information Services (EIS) provides statewide IT leadership by maturing enterprise technology governance, leveraging investments in shared services, ensuring transparency, providing oversight, and delivering secure and innovative solutions—enabling state agencies and partner jurisdictions to better serve Oregonians through enterprise technology solutions.

The State CIO's key responsibilities include:

- Ensuring alignment between statewide IT policy and operations
- Advising the Governor on enterprise technology and telecommunications
- Implementing the IT Governance framework
- Establishing the state of Oregon's long-term IT strategy through the Enterprise Information Services Strategic Framework 2020-2023.
- Providing oversight on project planning, quality assurance and implementation of the State Gate review process for IT investments



King County Information Technology provide county-wide information technology solutions tailored to meet the business needs of a diverse list of county agencies, as well as regional services. The consolidated, centralized approach to IT services allows for a consistently high-quality customer experience, strategic IT resource planning, and a standardized approach to IT investments.

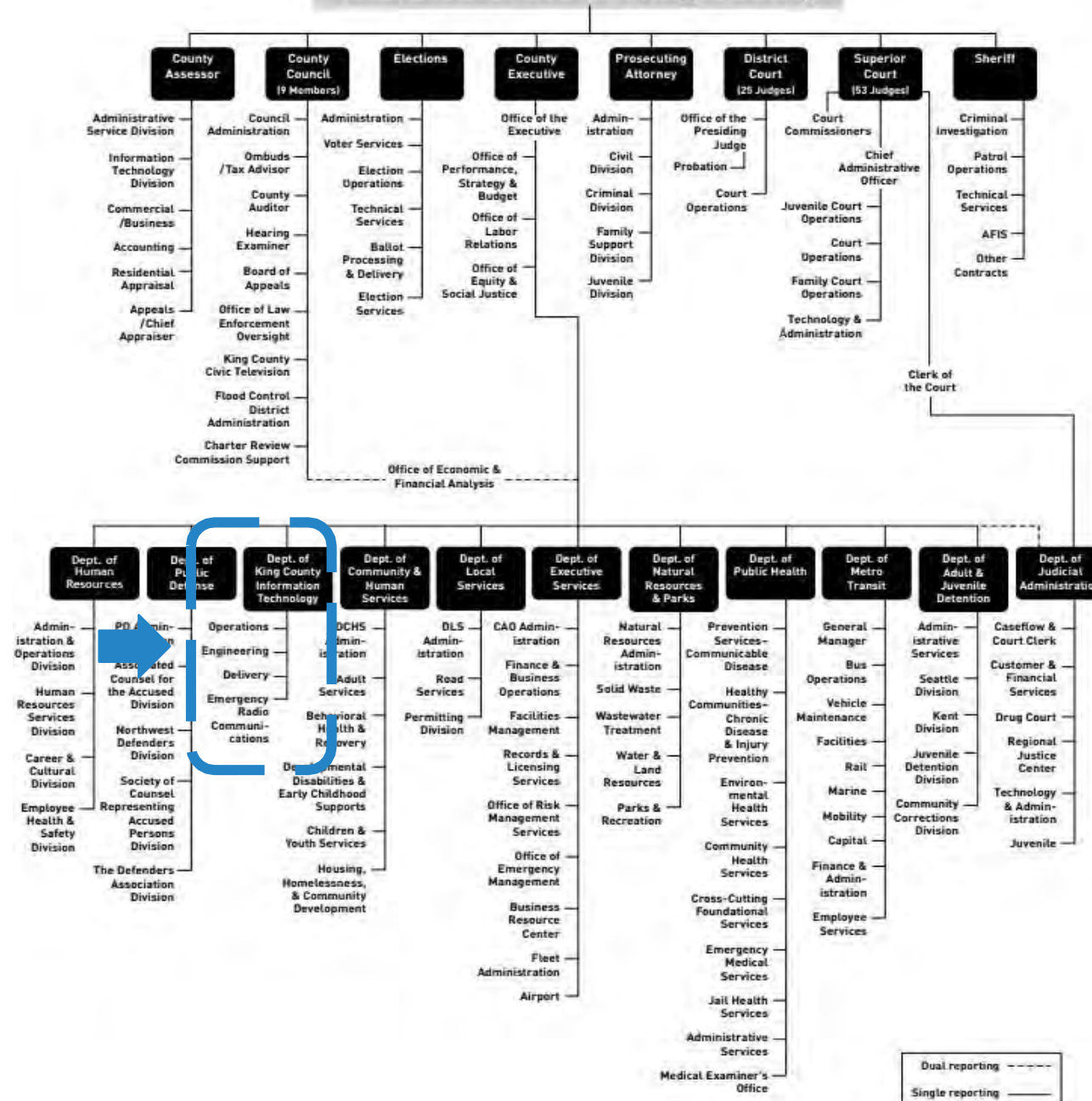
KCIT's strategies for accomplishing our vision focus on several audiences:

- Customers are the focus of our E-government, Customer Service, and Regionalization strategies; aligning with one of our core principles to be a service focused organization and a regional partner.
- King County employees are an additional focus area which is addressed through Collaboration, Mobility, Cloud, and Unified Communications strategies. Providing enabling technologies is critical to the countywide efforts around process improvement and employee engagement.
- Our final area of focus is internal and targets our new IT organization where we solidify and strengthen some of our foundational components. Strategies targeting this area include enterprise architecture, service improvement, IT Governance, technology modernization, and Information Assurance.

The Electorate of King County



[https://kingcounty.gov/~media/elected/executive/equity-social-justice/Immigrant-and-Refugee/Commission-Work/Meetings-and-Materials/2019/Aug5-2019-StratPngSession/2019-2020 King County Organization.ashx?la=en](https://kingcounty.gov/~media/elected/executive/equity-social-justice/Immigrant-and-Refugee/Commission-Work/Meetings-and-Materials/2019/Aug5-2019-StratPngSession/2019-2020%20King%20County%20Organization.ashx?la=en)





Maricopa County Office of Enterprise Technology

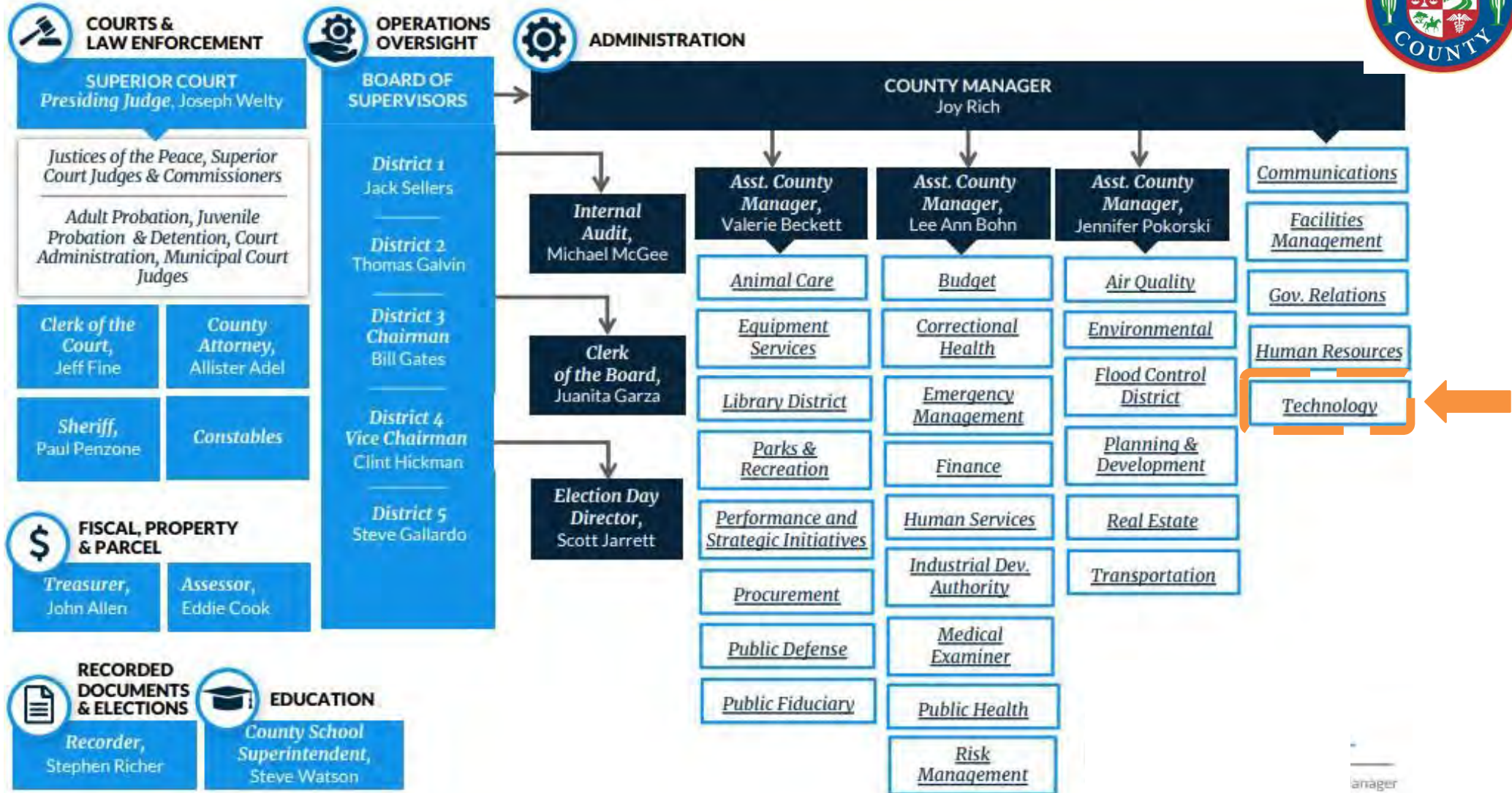
OET provides enterprise infrastructure and application support that allows the County to effectively operate on a daily basis. OET also provides IT consulting as a trusted advisor to over 30 County departments.

Services Provided:

- Information Security
- Enterprise Application & Database Management
- Enterprise Infrastructure Management
- GIS
- IT Advisor to County Departments
- Innovation Leadership
- Customer Support
- Desktop Support
- Public Safety Radio

ELECTED

APPOINTED



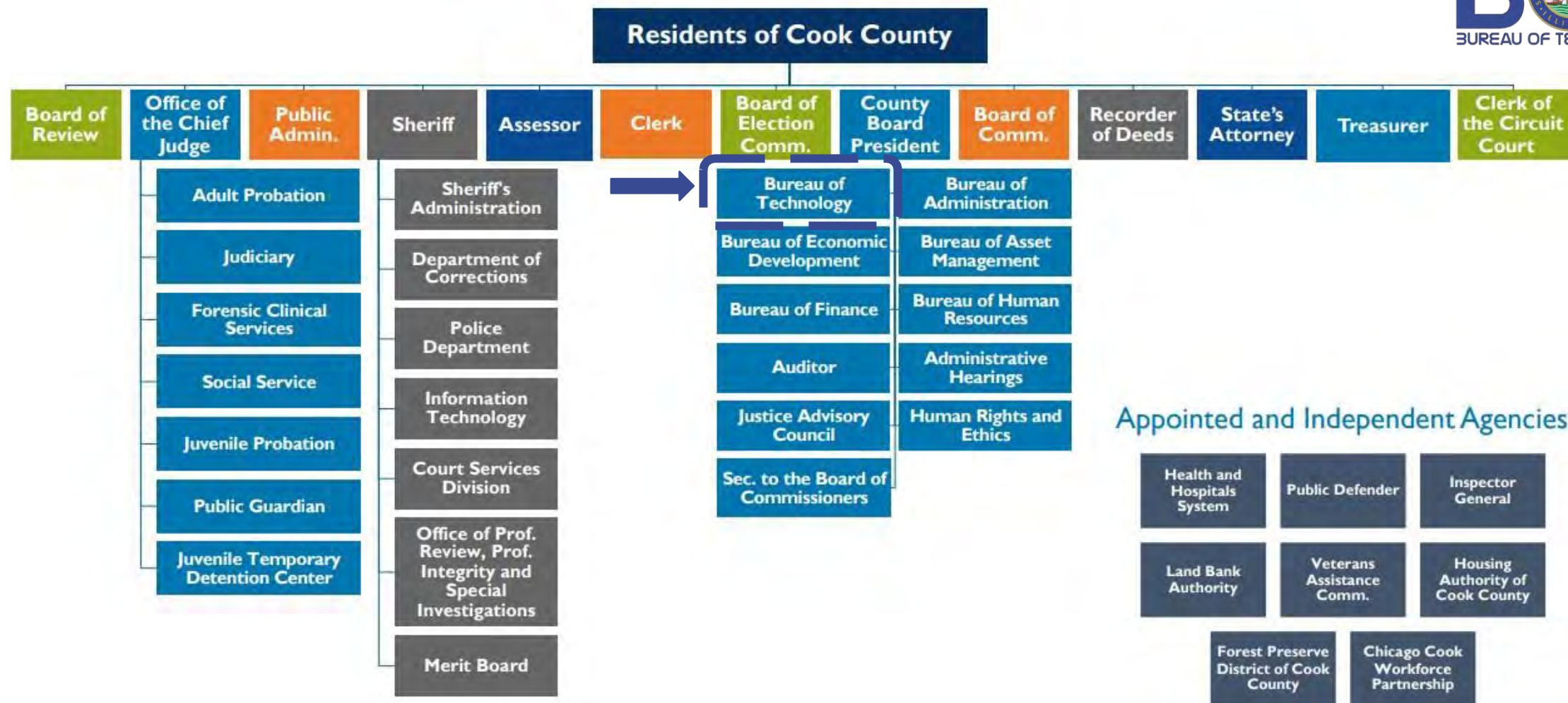
Cook County Bureau of Technology



The Bureau of Technology (BOT) plans, develops and maintains enterprise technology services according to its guiding principles: lifecycle management, cloud-first, shared-first, sustainability, transparency, continuity, Countywide standardization and reuse before buy and buy before build. BOT provides cost-effective and easy-to-use services for residents and County employees.

Key Activities:

- Deliver and manage Countywide shared technology resources
- Direct Countywide technology policy and the establishment of Countywide technology standards
- Review all technology procurements to discourage duplicative spending, encourage efficient returns on investment, and ensure compliance with County technology standards and policies
- Collaborate with the Information Security Working Group to establish and report on the Information Security Framework, as well as take appropriate actions to protect the County's network against security threats
- Facilitate the integration of an automated Cook County Criminal Justice System and update the Board on progress toward such goal
- Review all Software and Technology Hardware Asset Inventories and prepare a consolidated report and strategic document annually for submission to the Board
- Provide access to County GIS data in accordance with County ordinance





Dallas County Office of Information Technology

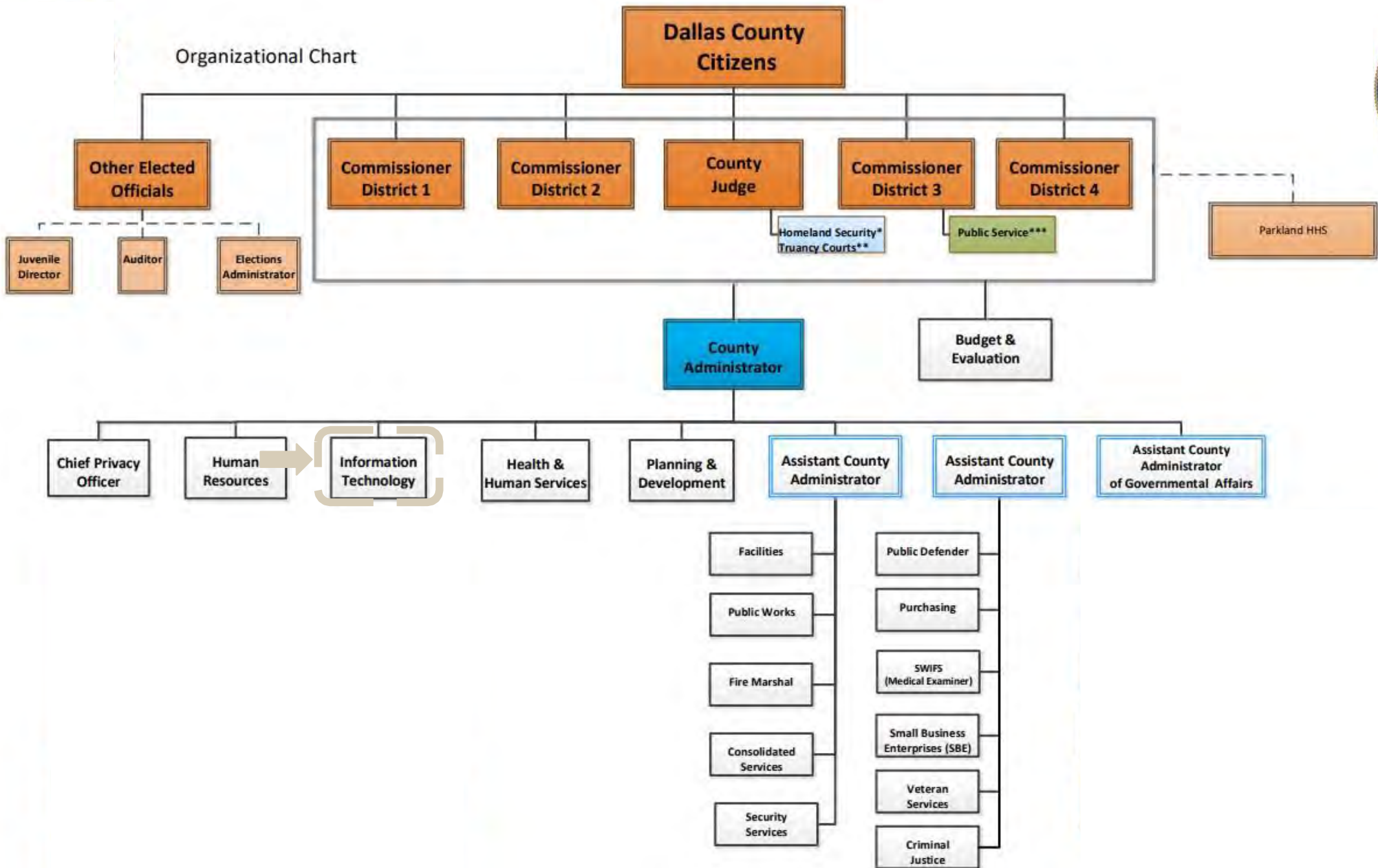
The Department is a Team of over 158 dedicated professionals who daily strive to empower our customers with innovative and timely solutions for greatly enhancing their delivery of services and ability to share and access information. As public servants, they are entrusted with developing, maintaining and managing the County IT Infrastructure, as a part of the County public trust, while providing world-class customer and information services, both internal and external to the Department.

County IT's Strategic Plan for FY2020-2024:

- Digital Transformation inclusive of leveraging Workflow Automation and Business Analytics
- Infrastructure Modernization & Consolidation inclusive of leveraging Cloud technologies
- IT Infrastructure Security and Compliance
- Mobile and Secure Systems Access for the County system end-users
- Increased Systems Reliability and Availability for the County system end-users
- Increased End-User Service and Support
- Staff Professional Development



Organizational Chart





Los Angeles County
Office of the Chief Information Officer
Integrated IT Organization

Attachment E: Critical Success Criteria

June 10, 2022

INFO~TECH

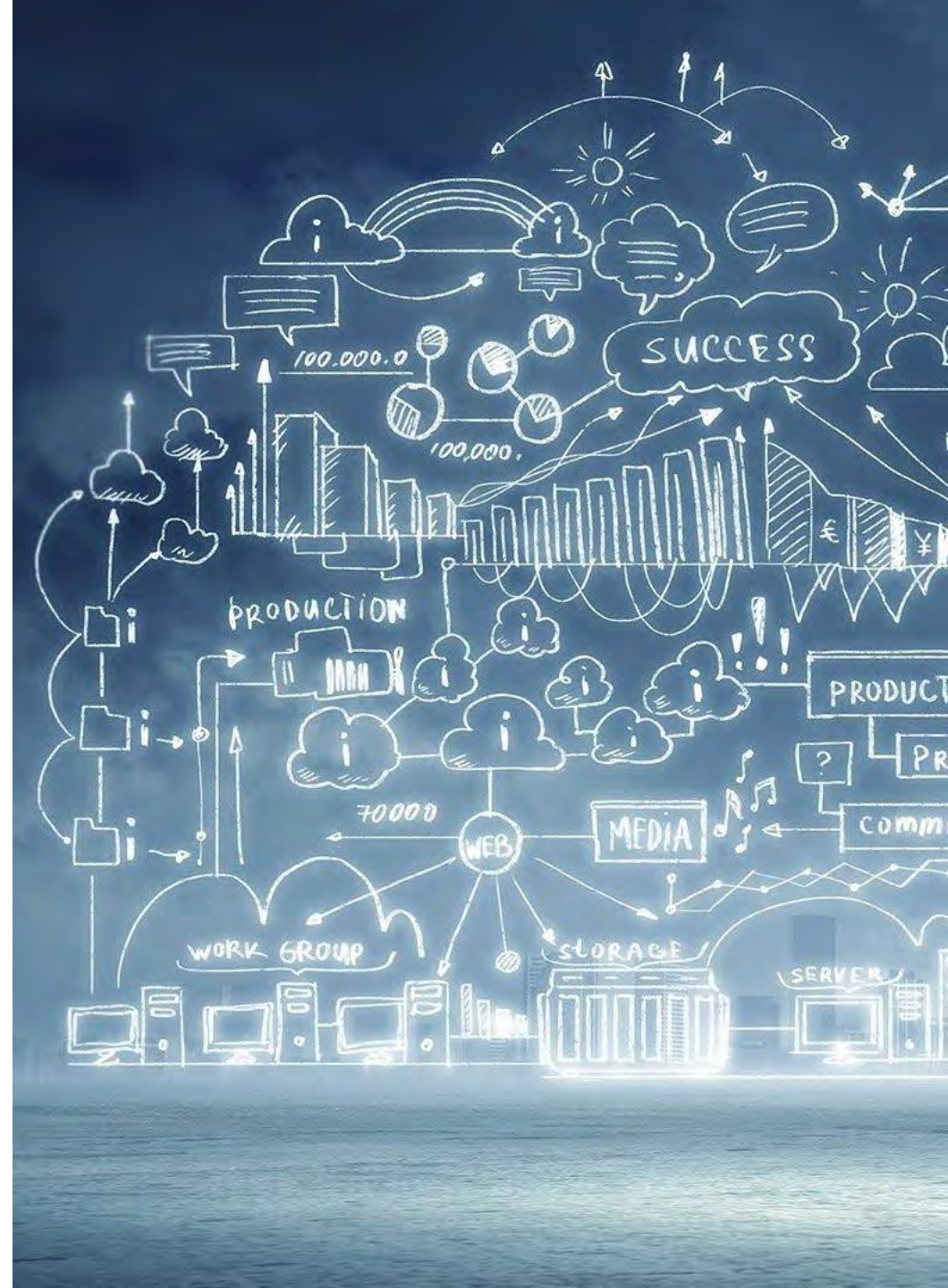


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- Organizational Design Principles
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Organizational Design Principles



Accountability & Transparency

Group functions and services in a way that increases transparency & improves accountability. For example, separate Cybersecurity governance, compliance and audit from Cybersecurity operations so that Cybersecurity is truly Countywide - acting on behalf of all departments.



Innovation

We will build a structure that will support the County in fostering an innovative culture outside of day-to-day processes, while creating the space for folks to partake in innovation.



Partnership

A collective relationship between Integrated IT and County Departments is a priority. Roles will be aligned clearly so that unity within IT can be reached. There will be a collaborative environment between Integrated IT and Department IT to achieve better results



Optimized Capacity

We will design a structure that will allow Integrated IT to grow its capacity and overall capability in different dimensions of the organization, to meet growing business needs.



Cybersecurity

We will foster an environment for specialized security knowledge as a means of ensuring security is proactive enterprise-wide. This will enhance collaboration and ensure team functionality.



Decision Making

We will create effective and efficient decision-making that involves escalation to key stakeholders when necessary. This will warrant decisions made at a lowest possible level.



Setting Standards

Efficient standards and processes enable the County for unified success. Standardization will be a focus for Integrated IT through a structure that is clear with streamlined processes and seamless hierarchy. We will create governance and leadership in IT Groups to address gaps

Background and Definitions

Integrated IT “Organization”

The new organization to be created by combining today’s Office of the CIO with ISD’s ITS organization.

County Department “Organization”

IT responsibilities are operated and managed from end-to-end within each unit.

Hybrid/Federated

Describes the operating model in which IT responsibilities in the County are shared between a central, Integrated IT Organization and departmental IT organizations. While many services may be only provided by one or the other, some will be provided by both.

Function

A group that has a discrete set of services or capabilities that it is responsible for, which don’t overlap with any others.

Service

A collection of business and technology activities or support provided by IT for consumption by the departments

Key Activities

Detailed tasks completed to deliver a service – generally out-of-scope

Summary of Recommendations & Key Benefits

Info-Tech facilitated a series of six working sessions with 17 CIOs and Deputy Department Heads over the course of 2 months. Out of these sessions and based on industry best practices and Research provided by Info-Tech, we developed the following seven recommendations:

- 1 Create a single, integrated Countywide IT organization reporting to the Board**
 - Strategic alignment of Board priorities, County Strategy, Departmental strategies and IT strategy
 - Like HR, Payroll, Tax Collection or Elections Information Technology is a critical capability that enables the County in fulfilling its Mission.
- 2 Maintain federated IT service delivery Countywide**
 - Responsibility for business mission critical systems remains with departments
 - Large and “subvened” departments retain their independence and funding streams are not impaired
 - Commodity services and support for smaller departments can be delivered centrally
- 3 Establish clear authority, roles and responsibilities**
 - Standard setting and IT service delivery are within the same organization. Departments will have one single contact at the County level for any given Function or Service. This will lead to faster, more consistent and better integrated service delivery.
- 4 Centralize cybersecurity accountability and operations**
 - Cybersecurity will be elevated to be a county-wide responsibility with centralized standard setting and enforcement
 - Better visibility into the threat landscape, security posture and higher level of accountability at the county level
- 5 Simplify funding and chargeback model for IT services**
 - Implement a multi-tiered cost recovery model distinguishing between recovery of operating costs and chargeback for volume-based services
 - Replace current cost model with a value-based rate structure that reflects the true costs of providing a service
- 6 Consolidate and streamline IT procurement**
 - Consolidate strategic sourcing, MSAs for IT products and service within the new IT organization
 - Establish better guidelines for legacy replacements as to converge on fewer platforms
 - Streamline the procurement process for pre-approved solutions or extensions of existing platform solutions
- 7 Establish a Center of Excellence for Innovation and Emerging Technology**
 - Establish a forward looking, business-oriented organizational unit who works closely with departments on identifying and acting on innovative concepts and funding sources to better serve the County's constituents.
 - Create an innovation lab with formal processes for ideation, rapid prototyping and collaboration

Critical Success Factors and Criteria

Critical Success Factors

- Critical Success Factors are high-level goals that must be successfully met or accomplished to ensure an intended business outcome or objective achieved
- In some cases, they can be used as decision points to proceed to the next stage or phase



Critical Success Criteria

- Critical Success Criteria is what qualifies the deliverable or objective as successful or achieved



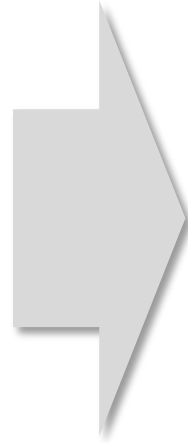
Critical Success Factors Examples

- County ordinance is developed and approved that empowers the CIO with the appropriate authorities and responsibilities
- County-wide IT policies, procedures and guidelines
- Governance and communications
- Service catalog with funding framework and transparent rate structure
- Workforce transition strategy and implementation plan
- Organization structure with clearly defined roles, responsibilities, accountabilities and performance
- Adequate resourced are required to provide each service IIT is accountable for
- Adequately plan, fund and resource the organization change

County Technology Services Enables County Services Delivery

Los Angeles County exists, as defined by the County Mission:

To improve the quality of life in the County of Los Angeles by providing responsive, efficient, and high-quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, businesses and communities



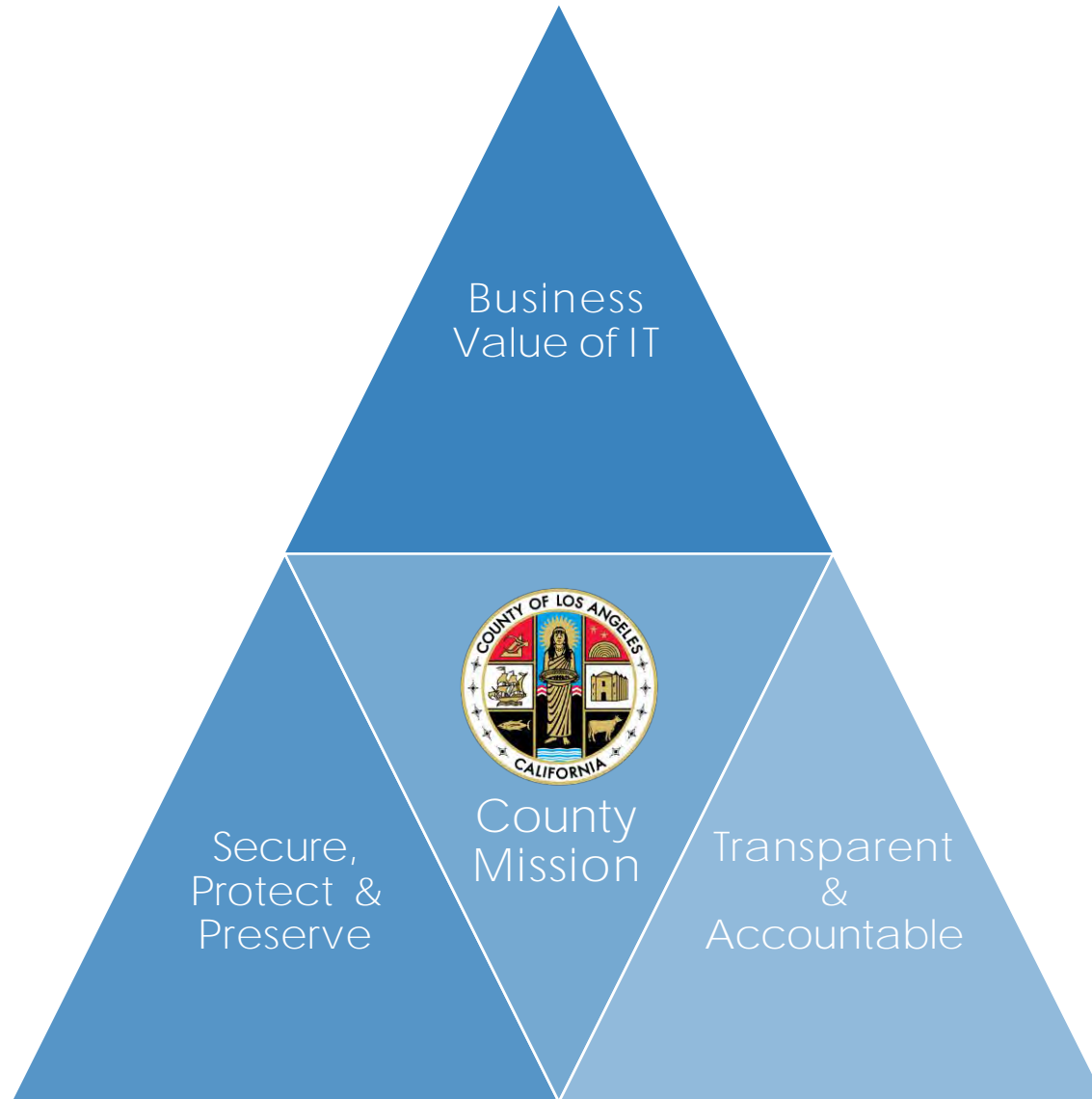
Public services are provided to individuals, families, businesses and communities by

People
Technology
Processes
Resources



Integrated, modern, cost-effective County Technology Services are critical to successful County Services delivery

Integrated IT Organization – Case for Action



County Mission

To improve the quality of life in the County of Los Angeles by providing responsive, efficient, and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families, businesses and communities.

Business Value of IT

Enabler for conducting County business and delivering services that improve the quality of life in Los Angeles County

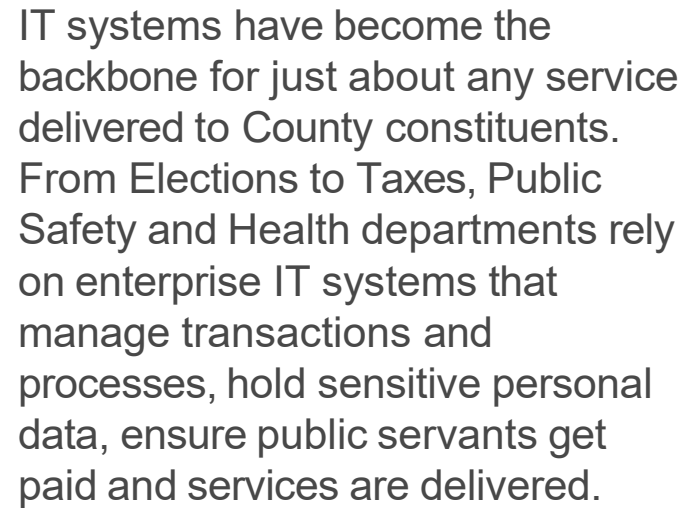
Transparent & Accountable

To ensure that IT is budgeted, funded, procured and delivered in a transparent manner and that there is clear accountability for all aspects of IT across all stakeholders.

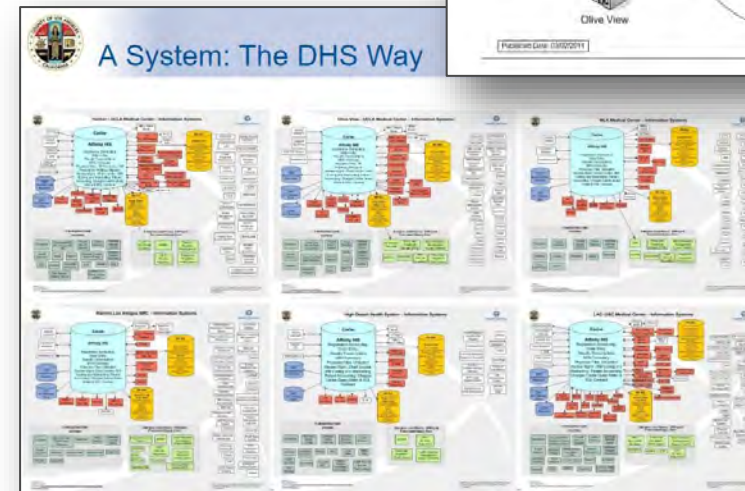
Secure, Protect & Preserve

To implement processes and technologies that ensure County assets data are leveraged, safe and secure.

Enabler for conducting County business and delivering services that improve the quality of life in Los Angeles County



As reliance on technology increases, common standards, policies and governance become ever more important.



Integrated IT Organization – Business Value of IT

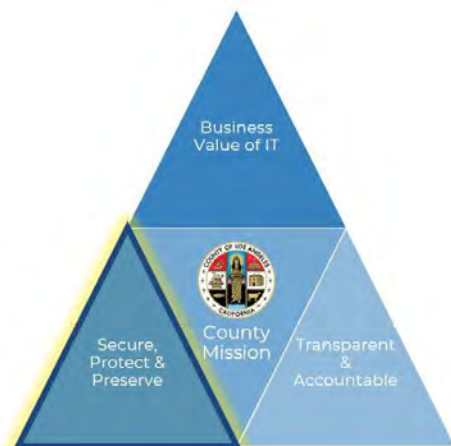
Enabler for conducting County business and delivering services that improve the quality of life in Los Angeles County

| | Benefit of Integrated IT Organization | Critical Success Factors |
|--|--|--|
| Information Technology is a Mission Critical capability | Like HR, Payroll, Tax Collection or Elections Information Technology is a critical capability that enables the County in fulfilling its Mission. | The CIO position and organization must be recognized as equivalent to other shared County functions like HR or Auditor-Controller. |
| Countywide IT must align with Board Priorities and Initiatives | Strategic alignment of Board priorities, County Strategy, Departmental strategies and IT strategy | Establish process that ensures alignment of IT strategies across departments and the County. |
| IT Services must be based on Countywide common standards | Standard setting and IT service delivery are within the same organization. Departments will have one single contact at the County level for any given Function or Service. This will lead to faster, more consistent and better integrated service delivery. | The integrated IT organization must be high enough in the County organization and have the proper authority. |
| Better use of shared technologies will shorten time to production | Elevate Application and Infrastructure Portfolio management to be a countywide, CIO owned activity. | CIO must be empowered to veto individual departmental initiatives before an internal alternatives analysis across existing capabilities has been done. |
| Continuous Innovation and use of emerging technologies | | |
| Adequate Resourcing | | The integrated IT Organization needs to be adequately resourced to provide the services it is accountable for. |

Integrated IT Organization – Protect, Preserve & Enhance

To implement processes and technologies that ensure County assets data is leveraged, safe & secure

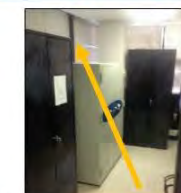
Among the County's most strategic assets is the data and information it keeps on behalf of its constituents. This information is often sensitive, required to receive State, Federal and grant funding and to keep the County safe. The County has an obligation to keep constituent information safe and secure.



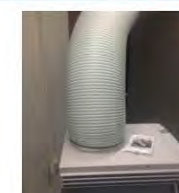
Similarly, technology assets such as hardware and software should be standardized and leveraged as much as possible to enable easier data sharing, data protection and multiple use of platform technologies across departments.

Building on common platforms and standards and central accountability for cybersecurity will simplify the technology landscape and improve the County's security posture.

All of these data centers are in shared facilities (there are non-IT functions and personnel in the building) and many are repurposed or multi-use rooms



Also used as a storage room with windows



Requires portable AC units



Boxes of storage in Data Center



Located in the back of an IT manager's office



Aging equipment in aging facilities



Carpeted storage closet



Also used as a break room with a refrigerator

The analysis showed that leasing space in a co-location facility has ~\$27M lower cost over a similar timeframe and a 3 year better timeline than the other potential solutions

In the alternatives analysis, cost and time to steady state are the two quantifiable metrics. Leasing space in a co-location facility is significantly more favorable in both of these metrics:

- \$155M for co-location v. \$182M for brick & mortar and \$194M for pre-fab modular construction*
- 3 years faster to steady state for co-location than either build options



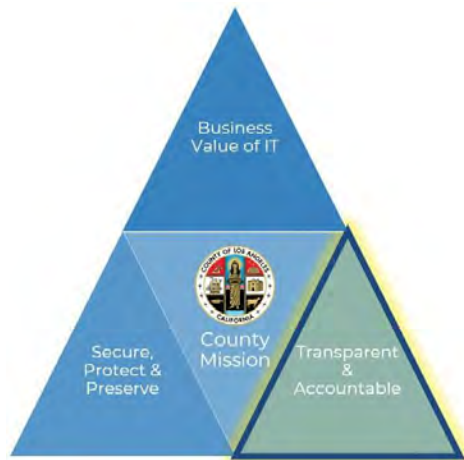
Integrated IT Organization – Protect, Preserve & Enhance

To implement processes and technologies that ensure County assets data is leveraged, safe & secure

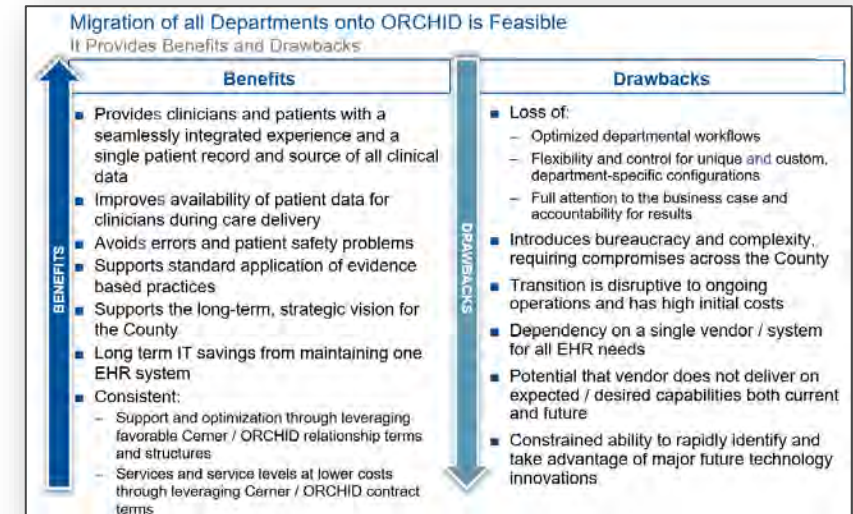
| | Benefit of Integrated IT Organization | Critical Success Factors |
|----------------------|---|--|
| Cybersecurity | Clear accountability for cybersecurity at the policy and operational level | <ul style="list-style-type: none">• The integrated IT organization must be high enough in the County organization and have the proper authority.• Fund Cybersecurity like any other Risk Management function in the County (e.g. Counsel) |
| Data Sharing | | <ul style="list-style-type: none">• The integrated IT organization must be high enough in the County organization and have the proper authority.• Strong Counsel with understanding of various privacy regulations (HIPPA, CJIS, etc.) |
| Interoperability | Drive interoperability and data sharing across platforms | <ul style="list-style-type: none">• Strong Enterprise Architecture function with tie-in to departmental IT organizations |
| Workforce Management | <ul style="list-style-type: none">• Establish a countywide structured program to reduce employee turnover and remain an attractive IT employer• Coordinate IT Workforce talent acquisition, retention and ongoing development across departments | <ul style="list-style-type: none">• Revisit IT classifications, update job descriptions and review hiring procedures.• Funding for training and continuing education |
| Asset Management | Implement Asset Management at a County-wide level | Asset Management <ul style="list-style-type: none">• IT responsibilities are operated and managed from end-to-end within each unit. |

Integrated IT Organization – Transparent & Accountable

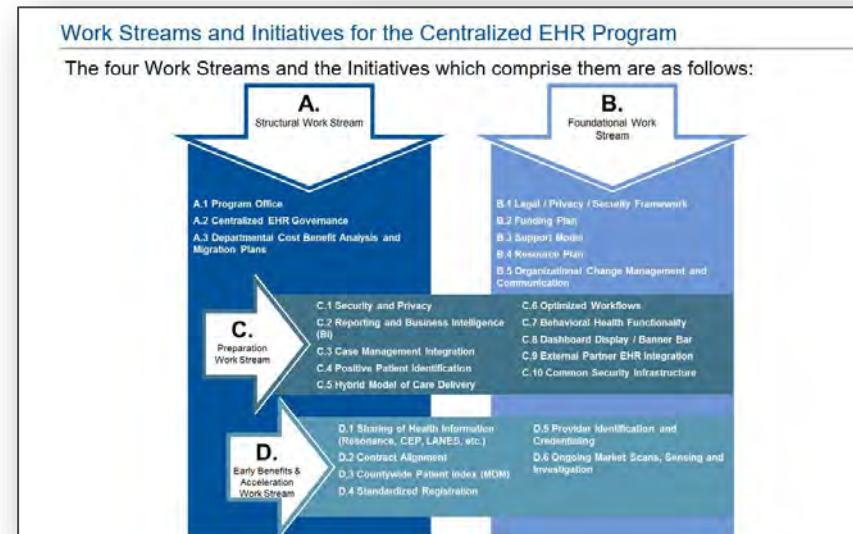
To ensure that IT is budgeted, funded, procured and delivered in a transparent manner and that there is clear accountability for all aspects of IT across all stakeholders.



Accountability for transparent procurement, delivery and pricing of technology services must be clear. Taxpayers, the Board and the County's constituents demand transparency and accountability. Today's federated and divided IT organizations diffuse both transparency and accountability.



A single, integrated IT organization that is accountable to the Board and has the authority to arbitrate and rule on initiatives that are not in the interest of departments *and* the County establishes the greatest level of accountability and transparency.



Integrated IT Organization – Transparent & Accountable

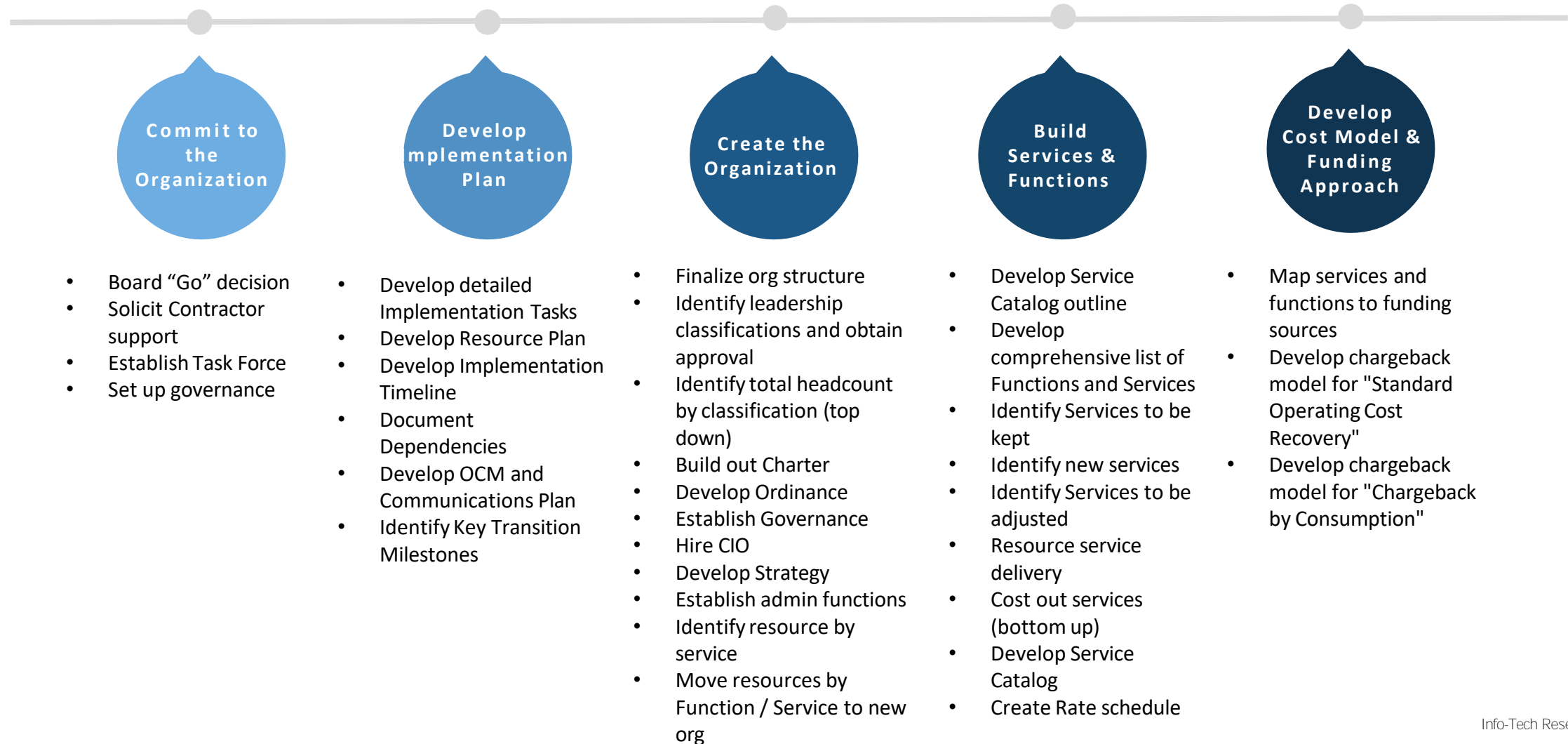
To ensure that IT is budgeted, funded, procured and delivered in a transparent manner and that there is clear accountability for all aspects of IT across all stakeholders.

| | Benefit of Integrated IT Organization | Critical Success Factors |
|---------------------|---|--|
| | Tighter coupling between strategic and operational aspects of IT service delivery | Needs to be its own department reporting directly to the Board |
| | Simplify service chargeback and increase value of services. There are hundreds of ways IT is currently charged. Over time, chargeback mechanisms have become overly complex and result in inefficiencies and lack of transparency. | Requires complete re-thinking of the funding model Need to establishing a service catalog and a rate structure that reflects the value provided by each service |
| | Consolidating contracts, leveraging assets across departments will enable to faster deliver solutions, better protect and leverage data and improve security | |
| Adequate Resourcing | The integrated IT Organization needs to be adequately resourced to provide the services it is accountable for. | |



Appendix

High-Level Timeline & Milestones



Your Info-Tech Engagement Team

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About Us



Info-Tech Research Group is the world's fastest growing information technology research and advisory company, proudly serving over 30,000 IT professionals.

We are, by far, the most innovative firm in the industry and we pride ourselves on providing better research than anyone.

Since 1997, we have been helping CIOs and their teams evolve from firefighters to innovation champions.

We produce unbiased and highly relevant research & tools to help IT leaders make strategic, timely, and well-informed decisions that drive business value.

We partner closely with IT teams to provide everything they need – from actionable tools to in-person analyst guidance—to deliver measurable results for their organizations.