

**PROFESSIONAL CONSULTANT SERVICES AGREEMENT**  
**Engine Exhaust Heat Recovery Boiler Assessment**  
**Specification No. CS-2025-650BD**

This PROFESSIONAL CONSULTANT SERVICES AGREEMENT (hereinafter referred to as "Agreement") is made and entered into as of the date fully executed below, by and between Orange County Sanitation District (hereinafter referred to as "OC San") and Pond and Company, Inc. (hereinafter referred to as "Consultant"), and collectively referred to herein as the "Parties."

**RECITALS**

WHEREAS, OC San desires to obtain Engine Exhaust Heat Recovery Boiler Assessment as described in Exhibit "A" attached hereto and incorporated herein by this reference ("Services"); and

WHEREAS, Consultant is qualified to provide the Services by virtue of experience, training, and expertise; and

WHEREAS, OC San desires to engage Consultant to render the Services as provided herein; and

WHEREAS, OC San selected Consultant to provide the Services in accordance with OC San's current Purchasing Ordinance; and

WHEREAS, on July 23, 2025, OC San's Board of Directors, by minute order, authorized execution of this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and benefits specified below, the Parties agree as follows:

**1. General.**

1.1 This Agreement and all exhibits hereto are made by OC San and the Consultant.

1.2 The following exhibits, in order of precedence, are incorporated by reference and made part of this Agreement.

Exhibit "A" – Scope of Work

Exhibit "B" – Proposal

Exhibit "C" – Determined Insurance Requirement Form

Exhibit "D" – Contractor Safety Standards

Exhibit "E" – Human Resources Policies

1.3 In the event of any conflict or inconsistency between the provisions of this Agreement and any of the provisions of the exhibits hereto, the provisions in the Agreement shall control and thereafter the provisions in the document highest in precedence shall be controlling.

1.4 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or actions incurred or undertaken by Consultant as a result of work performed in anticipation of purchases of the Services by OC San.

1.5 Work Hours: All work shall be scheduled Monday through Friday, between the hours of 6:00 a.m. and 4:00 p.m. OC San will not pay for travel time.

- 1.6 Days: Shall mean calendar days, unless otherwise noted.
- 1.7 OC San holidays (non-working days) are as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.8 The provisions of this Agreement may be amended or waived only by an amendment executed by authorized representatives of both Parties.
- 1.9 The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any paragraph or provision hereof.

## **2. Scope of Work.**

- 2.1 Consultant shall provide the Services identified in Exhibit "A" in a competent, professional, and satisfactory manner in accordance with generally accepted industry and professional standards, including fiduciary standards, ethical practices, and standards of care and competence for its trade/profession.
- 2.2 Modifications to Scope of Work. OC San shall have the right to modify the Scope of Work at any time. All modifications must be made by an amendment signed by both Parties.
- 2.3 Familiarity with Work. By executing this Agreement, Consultant warrants that: (a) it has investigated the work to be performed; (b) it understands the facilities, difficulties, and restrictions of the work under this Agreement; and (c) it has examined the site of the work and is aware of all conditions at the site. Should Consultant discover any latent or unknown condition materially differing from those inherent in the work or as represented by OC San, it shall immediately inform OC San of this and shall not proceed, except at Consultant's risk, until written instructions are received from OC San.
- 2.4 Performance. Time is of the essence in the performance of the provisions hereof.

## **3. Agreement Term.**

- 3.1 The Services shall be completed within one (1) year from the effective date of the Notice to Proceed.
- 3.2 Renewals. At its sole discretion, OC San may exercise the option to renew this Agreement for up to four (4) one-year periods. This Agreement may be renewed by an OC San Purchase Order. OC San shall have no obligation to renew the Agreement nor to give a reason if it elects not to renew it.
- 3.3 Extensions. The term of this Agreement may be extended only by an amendment signed by both Parties.

## **4. Compensation.**

- 4.1 As compensation for the Services provided under this Agreement, OC San shall pay Consultant a total amount not to exceed Three Hundred Ninety-Nine Thousand Five Hundred Fifteen Dollars (\$399,515.00).
- 4.2 Consultant shall provide OC San with all required premiums and/or overtime work at no charge beyond the amount specified above.

**5. Payments and Invoicing.**

- 5.1 OC San shall pay itemized invoices for work completed in accordance with Exhibit “A” and consistent with Exhibit “B” thirty (30) days from receipt of the invoice and after approval by OC San’s Project Manager or designee. OC San shall be the determining party, in its sole discretion, as to whether the Services have been satisfactorily completed.
- 5.2 Consultant shall submit its invoices to OC San Accounts Payable by electronic mail (email) to [APStaff@OCSan.gov](mailto:APStaff@OCSan.gov). In the subject line include “INVOICE” and the Purchase Order Number.

**6. California Department of Industrial Relations Registration and Record of Wages.**

- 6.1 To the extent Consultant’s employees and/or its subconsultants perform work related to this Agreement for which Prevailing Wage Determinations have been issued by the California Department of Industrial Relations (DIR) as more specifically defined under Labor Code section 1720 et seq., prevailing wages are required to be paid for applicable work under this Agreement. It is Consultant’s responsibility to interpret and implement any prevailing wage requirements and Consultant agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.
- 6.2 Consultant and its subconsultants shall comply with the registration requirements of Labor Code section 1725.5. Pursuant to Labor Code section 1771.4(a)(1), the work is subject to compliance monitoring and enforcement by the California Department of Industrial Relations (DIR).
- 6.3 Pursuant to Labor Code section 1773.2, a copy of the prevailing rate of per diem wages is available upon request at OC San’s principal office. The prevailing rate of per diem wages may also be found at the DIR website for prevailing wage determinations at <http://www.dir.ca.gov/DLSR/PWD>.
- 6.4 Consultant and its subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations section 16461(e). Pursuant to Labor Code sections 1773.2 and 1771.4(a)(2), Consultant shall post a copy of the prevailing rate of per diem wages at the job site.
- 6.5 Consultant and its subconsultants shall maintain accurate payroll records and shall comply with all the provisions of Labor Code section 1776. Consultant and its subconsultants shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3). Pursuant to Labor Code section 1776, the Consultant and its subconsultants shall furnish a copy of all certified payroll records to OC San and/or the general public upon request, provided the public request is made through OC San, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the DIR. Pursuant to Labor Code section 1776(h), penalties for non-compliance with a request for payroll records may be deducted from progress payments.
- 6.5.1 As a condition to receiving payments, Consultant agrees to present to OC San, along with any request for payment, all applicable and necessary certified payrolls and other required documents for the period covering such payment request. Pursuant to Title 8, California Code of Regulations section 16463, OC San shall withhold any portion of a payment, up to and including the entire payment amount, until certified payroll forms and any other required

documents are properly submitted. In the event certified payroll forms do not comply with the requirements of Labor Code section 1776, OC San may continue to withhold sufficient funds to cover estimated wages and penalties under the Agreement.

- 6.6 The Consultant and its subconsultants shall comply with Labor Code section 1774 and section 1775. Pursuant to Labor Code section 1775, the Consultant and any of its subconsultants shall forfeit to OC San a penalty of not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any work.

6.6.1 In addition to the penalty and pursuant to Labor Code section 1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Consultant or its subconsultant.

- 6.7 Consultant and its subconsultants shall comply with Labor Code sections 1810 through 1815. Consultant and its subconsultants shall restrict working hours to eight (8) hours per day and forty (40) hours per week, except that work performed in excess of those limits shall be permitted upon compensation for all excess hours worked at not less than one and one-half (1.5) times the basic rate of pay, as provided in Labor Code section 1815. The Consultant shall forfeit, as a penalty to OC San, twenty-five dollars (\$25) per worker per calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

- 6.8 Consultant and its subconsultants shall comply with Labor Code sections 1777.5, 1777.6, and 1777.7 concerning the employment of apprentices by Consultant or any subconsultant.

- 6.9 Consultant shall include, at a minimum, a copy of the following provisions in any contract it enters into with any subconsultant: Labor Code sections 1771, 1771.1, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860, and 1861.

- 6.10 Pursuant to Labor Code sections 1860 and 3700, the Consultant and its subconsultants will be required to secure the payment of compensation to employees. Pursuant to Labor Code section 1861, Consultant, by accepting this Agreement, certifies that:

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

Consultant shall ensure that all its contracts with its subconsultants provide the provision above.

7. **Key Personnel.** Personnel, as provided in Exhibit “B,” are considered “key” to the work under this Agreement and will be available for the term of the Agreement. No person designated as key under this Agreement shall be removed or replaced without prior written consent of OC San. If OC San asks Consultant to remove a person designated as key under this Agreement, Consultant agrees to do so immediately regardless of the reason, or the lack of reason, for OC San’s request. Consultant shall assign only competent personnel to perform Services under this Agreement.
8. **Ownership of Documents.** All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, subconsultants, and agents in the performance of this Agreement shall be the property of OC San and shall be promptly delivered to OC San upon request of OC San’s Project Manager or designee or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by OC San of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of incomplete documents without specific written authorization by the Consultant will be at OC San’s sole risk and without liability to Consultant. Consultant shall ensure that all its contracts with its subconsultants provide for assignment to OC San of any documents or materials prepared by them.
9. **Ownership of Intellectual Property.**
- 9.1 Consultant agrees that all designs, plans, reports, specifications, drawings, schematics, prototypes, models, inventions, and all other information and items made during the course of this Agreement and arising from the Services (hereinafter referred to as “New Developments”) shall be and are assigned to OC San as its sole and exclusive property.
- 9.2 Consultant agrees to promptly disclose to OC San all such New Developments. Upon OC San’s request, Consultant agrees to assist OC San, at OC San’s expense, to obtain patents or copyrights for such New Developments, including the disclosure of all pertinent information and data with respect thereto, the execution of all applications, specifications, assignments, and all other instruments and papers which OC San shall deem necessary to apply for and to assign or convey to OC San, its successors and assigns, the sole and exclusive right, title, and interest in such New Developments. Consultant agrees to obtain or has obtained written assurances from its employees and contract personnel of their agreement to the terms hereof regarding New Developments and confidential information.
- 9.3 Consultant warrants that Consultant will have good title to any New Developments and the right to assign New Developments to OC San free of any proprietary rights of any other party or any other encumbrance whatever.
- 9.4 The originals of all computations, drawings, designs, graphics, studies, reports, manuals, photographs, videotapes, data, computer files, and other documents prepared or caused to be prepared by Consultant or its subconsultants in connection with the Services hereunder shall be delivered to and shall become the exclusive property of OC San. OC San may utilize such documents, at its own risk, for OC San’s applications on other projects or extensions of this project.

**10. Right to Review Services, Facilities, and Records.**

10.1 OC San reserves the right to review any portion of the Services performed by Consultant under this Agreement and Consultant agrees to cooperate to the fullest extent possible in such endeavor.

10.2 Consultant shall furnish to OC San such reports, statistical data, and other information pertaining to Consultant's Services as shall be reasonably required by OC San to carry out its rights and responsibilities under its agreements with its bondholders or noteholders and any other agreement relating to the development of the project(s) and in connection with the issuance of its official statements and other prospectuses with respect to the offering, sale, and issuance of its bonds and other obligations.

10.3 The right of OC San to review or approve drawings, specifications, procedures, instructions, reports, test results, calculations, schedules, or other data that are developed by Consultant shall not relieve Consultant of any obligation set forth herein.

**11. Conflict of Interest and Reporting.**

11.1 Consultant shall, at all times, avoid conflicts of interest or appearance of conflicts of interest in performance of this Agreement.

11.2 Consultant affirms that, to the best of its knowledge, there exists no actual or potential conflict between Consultant's families, business, or financial interest and the Services under this Agreement and in the event of change in either its private interests or Services under this Agreement, it shall raise with OC San any question regarding possible conflict of interest which may arise as a result of such change.

**12. Damage to OC San's Property.** Any of OC San's property damaged by Consultant, any subconsultant, subcontractor, or by the personnel of either will be subject to repair or replacement by Consultant at no cost to OC San.

**13. Freight (F.O.B. Destination).** Consultant assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Agreement.

**14. Audit Rights.** Consultant agrees that, during the term of this Agreement and for a period of three (3) years after its expiration or termination, OC San shall have access to and the right to examine any directly pertinent books, documents, and records of Consultant relating to the invoices submitted by Consultant pursuant to this Agreement.

**15. Contractor Safety Standards and Human Resources Policies.** OC San requires Consultant, its subconsultants, and its subcontractors to follow and ensure their employees follow all Federal, State, and local regulations as well as Contractor Safety Standards while working at OC San locations. If, during the course of the Agreement, it is discovered that Contractor Safety Standards do not comply with Federal, State, or local regulations, the Consultant is required to follow the most stringent regulatory requirement at no additional cost to OC San. Consultant, its subconsultants, and all of their employees shall adhere to all applicable Contractor Safety Standards in Exhibit "D" and the Human Resources Policies in Exhibit "E."

**16. Insurance.** Consultant and all its subconsultants shall purchase and maintain, throughout the term of this Agreement and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Exhibit "C" – Determined Insurance Requirement Form. Consultant shall not commence work under this Agreement until all

required insurance is obtained in a form acceptable to OC San, nor shall Consultant allow any subconsultant to commence service pursuant to a subcontract until all insurance required of the subconsultant has been obtained. Failure to obtain and maintain the required insurance coverage shall result in termination of this Agreement.

17. **Indemnification and Hold Harmless Provision.** Consultant shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or may be caused by Consultant's Services under this Agreement, or by its subconsultant(s), or by anyone directly or indirectly employed by Consultant, and whether such damage or injury shall accrue or be discovered before or after the termination of the Agreement. Except as to the sole active negligence of or willful misconduct of OC San, Consultant shall indemnify, protect, defend, and hold harmless OC San, its elected and appointed officials, officers, agents, and employees from and against any and all claims, liabilities, damages, or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person, or damage to property, or interference with the use of property arising out of or in connection with Consultant's performance under the Agreement, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process; or any patented or unpatented invention, article, or appliance furnished or used under the Agreement, and/or (c) on account of any goods and services provided under this Agreement. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Consultant or anyone employed by or working under Consultant. To the maximum extent permitted by law, Consultant's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless, or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Consultant agrees to provide this defense immediately upon written notice from OC San, and with well qualified, adequately insured, and experienced legal counsel acceptable to OC San. This section shall survive the expiration or early termination of the Agreement.

18. **Independent Contractor.**

- 18.1 The relationship between the Parties hereto is that of an independent contractor and nothing herein shall be construed as creating an employment or agency relationship.
- 18.2 During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as OC San's officers, employees, or agents. OC San assumes no liability for Consultant's action and performance nor assumes responsibility for taxes, funds, payments, or other commitments, expressed or implied, by or for Consultant.
- 18.3 Consultant shall not be considered an agent of OC San for any purpose whatsoever nor shall Consultant have the right to, and shall not, commit OC San to any agreement, contract, or undertaking. Consultant shall not use OC San's name in its promotional material or for any advertising or publicity purposes without prior expressed written consent.
- 18.4 Consultant shall not be entitled to any benefits accorded to those individuals listed on OC San's payroll as regular employees including, without limitation, worker's compensation, disability insurance, vacation, or holiday or sick pay. Consultant shall be responsible for providing, at Consultant's expense, disability, worker's compensation, and other insurance as well as licenses and permits usual or necessary for conducting the Services hereunder.

- 18.5 Consultant shall be obligated to pay any and all applicable Federal, State, and local payroll and other taxes incurred as a result of fees hereunder. Consultant hereby indemnifies OC San for any claims, losses, costs, fees, liabilities, damages, or penalties suffered by OC San arising out of Consultant's breach of this provision.
- 18.6 Consultant shall not be eligible to join or participate in any benefit plans offered to those individuals listed on OC San's payroll as regular employees. Consultant shall remain ineligible for such benefits or participation in such benefit plans even if a court later decides that OC San misclassified Consultant for tax purposes.
19. **Subcontracting and Assignment.** Consultant shall not delegate any duties nor assign any rights under this Agreement without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
20. **No Solicitation of Employees.**
- 20.1 Consultant agrees that it shall not, during the term of this Agreement and for a period of one (1) year immediately following expiration or termination of this Agreement or any extension hereof, call on, solicit, or take away any of the employees whom Consultant became aware of as a result of Consultant's Services to OC San.
- 20.2 Consultant acknowledges that OC San's employees are critical to its business and OC San expends significant resources to hire, employ, and train employees. Should Consultant employ or otherwise engage OC San's employees during the term of this Agreement and for a period of one (1) year following expiration or termination of this Agreement, Consultant shall pay OC San fifty percent (50%) of the former employee's most recent annual salary earned at OC San to accurately reflect the reasonable value of OC San's time and costs. This payment is in addition to any other rights and remedies OC San may have at law.
21. **Confidentiality and Non-Disclosure.**
- 21.1 Consultant acknowledges that, in performing the Services hereunder, OC San may have to disclose to Consultant, orally and in writing, certain confidential information that OC San considers proprietary and has developed at great expense and effort.
- 21.2 Consultant agrees to maintain in confidence and not disclose to any person, firm, or corporation, without OC San's prior written consent, any trade secret, confidential information, knowledge, or data relating to the products, process, or operation of OC San.
- 21.3 Consultant further agrees to maintain in confidence and not to disclose to any person, firm, or corporation any data, information, technology, or material developed or obtained by Consultant during the term of this Agreement.
- 21.4 Consultant agrees as follows:
- 21.4.1 To use the confidential information only for the purposes described herein; to not reproduce the confidential information; to hold in confidence and protect the confidential information from dissemination to and use by anyone not a party to this Agreement; and to not use the confidential information to benefit itself or others.



- 21.4.2 To restrict access to the confidential information to its subconsultant or personnel of Consultant who (1) have a need to have such access and (2) have been advised of and have agreed in writing to treat such information in accordance with the terms of this Agreement.
- 21.4.3 To return all confidential information in Consultant's possession upon termination of this Agreement or upon OC San's request, whichever occurs first.
- 21.4.4 To hold in confidence information and materials, if any, developed pursuant to the Services hereunder.
- 21.4.5 The provisions of this section shall survive termination or expiration of this Agreement and shall continue for so long as the material remains confidential.
22. **Non-Liability of OC San Officers and Employees.** No officer or employee of OC San shall be personally liable to Consultant, or any successor-in-interest, in the event of any default or breach by OC San or for any amount which may become due to Consultant or to its successor, or for breach of any obligation under the terms of this Agreement.
23. **Third-Party Rights.** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OC San and Consultant.
24. **Applicable Laws and Regulations.** Consultant shall comply with all applicable Federal, State, and local laws, rules, and regulations. Consultant also agrees to indemnify and hold OC San harmless from any and all damages and liabilities assessed against OC San as a result of Consultant's noncompliance therewith. Any provision required by law to be included herein shall be deemed included as a part of this Agreement whether or not specifically included or referenced.
25. **Licenses, Permits, Ordinances, and Regulations.** Consultant represents and warrants to OC San that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to provide the Services. Any and all fees required by Federal, State, County, City, and/or municipal laws, codes, and/or tariffs that pertain to the work performed under this Agreement will be paid by Consultant.
26. **Regulatory Requirements.** Consultant shall perform all work under this Agreement in strict conformance with applicable Federal, State, and local regulatory requirements including, but not limited to, 40 CFR 122, 123, 124, 257, 258, 260, 261, and 503, Title 22, 23, and Water Codes Division 2.
27. **Environmental Compliance.** Consultant shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Consultant, its subconsultants, subcontractors, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
28. **California Air Resources Board Mobile Source Regulations.** Consultant and its applicable subconsultants and subcontractors shall comply with the following California Air Resources Board Mobile Source Regulations:
- Advanced Clean Fleet (ACF): 13 CCR 2013-2013.4; 13 CCR 2015-2015.6
  - Truck & Bus Regulation (T&B): 13 CCR 2025

- Clean Truck Check (CTC): 13 CCR 2195-2199.1
- Off-Road Diesel Amendments (ORD): 13 CCR 2449-2449.2

**29. California Voluntary Protection Program Annual Reporting Requirement.**

If Consultant will potentially work 1,000 combined hours in a quarter, for the term of the Agreement, Consultant shall provide an annual report detailing its safety and health information, including, but not limited to, its total number of employees, work hours, number of injuries and illnesses, and number of injury and illness cases involving days away from work, restricted work activity and/or job transfer. Consultant shall furnish this report to OC San no later than January 20th each calendar year.

Failure to provide this data by the required due date may result in suspension of Consultant's services with OC San. Any delay arising out of or resulting from such suspension shall be Consultant's sole responsibility and considered Consultant caused delay, which shall not be compensable by OC San.

**30. Dispute Resolution.**

30.1 In the event of a dispute as to the construction or interpretation of this Agreement, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.

30.2 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to Code of Civil Procedure, Part 3, Title 9, sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to Code of Civil Procedure section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.

**31. Remedies.** In addition to other remedies available in law or equity, if the Consultant fails to make delivery of the goods or Services or repudiates its obligations under this Agreement, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (a) cancel the Agreement; (b) recover whatever amount of the purchase price OC San has paid, and/or (c) "cover" by purchasing, or contracting to purchase, substitute goods or services for those due from Consultant. In the event OC San elects to "cover" as described in (c), OC San shall be entitled to recover from Consultant as damages the difference between the cost of the substitute goods or services and the Agreement price, together with any incidental or consequential damages.

32. **Force Majeure.** Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government, or any other cause beyond its control, but the affected party shall use reasonable efforts to minimize the extent of the delay. Work affected by a force majeure condition may be rescheduled by mutual consent of the Parties.
33. **Termination.**
- 33.1 OC San reserves the right to terminate this Agreement for its convenience, with or without cause, in whole or in part, at any time, by written notice from OC San. Upon receipt of a termination notice, Consultant shall immediately discontinue all work under this Agreement (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Consultant for work performed (cost and fee) through the date of termination. Consultant expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Agreement. Such notice of termination shall terminate this Agreement and release OC San from any further fee, cost, or claim hereunder by Consultant other than for work performed through the date of termination.
- 33.2 OC San reserves the right to terminate this Agreement immediately upon OC San's determination that Consultant is not complying with the Scope of Work requirements, if the level of service is inadequate, or for any other default of this Agreement.
- 33.3 OC San may also immediately terminate this Agreement for default, in whole or in part, by written notice to Consultant:
- if Consultant becomes insolvent or files a petition under the Bankruptcy Act; or
  - if Consultant sells its business; or
  - if Consultant breaches any of the terms of this Agreement; or
  - if the total amount of compensation exceeds the amount authorized under this Agreement.
- 33.4 All OC San's property in the possession or control of Consultant shall be returned by Consultant to OC San on demand or at the expiration or termination of this Agreement, whichever occurs first.
34. **Attorney's Fees.** If any action at law or in equity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which the prevailing party may be entitled.
35. **Waiver.** The waiver by either party of any breach or violation of, or default under, any provision of this Agreement, shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Agreement or default thereunder. Any breach by Consultant to which OC San does not object shall not operate as a waiver of OC San's rights to seek remedies available to it for any subsequent breach.
36. **Severability.** If any section, subsection, or provision of this Agreement, or any agreement or instrument contemplated hereby, or the application of such section, subsection, or provision is held invalid, the remainder of this Agreement or instrument in the application of such section, subsection, or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.

37. **Survival.** The provisions of this Agreement dealing with payment, warranty, indemnity, and forum for enforcement shall survive expiration or early termination of this Agreement.

38. **Governing Law.** This Agreement shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in the County of Orange in the event any action is brought in connection with this Agreement or the performance thereof.

39. **Notices.**

39.1 All notices under this Agreement must be in writing. Written notice shall be delivered by personal service, by electronic telecommunication, or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand, or request sent. All notices shall be effective when first received at the following addresses:

OC San:                   Jeremey Arbiso  
Senior Buyer  
Orange County Sanitation District  
18480 Bandilier Circle  
Fountain Valley, CA 92708  
jarbiso@ocsan.gov

Consultant:            Brian Lunsford  
Vice President, Mechanical Integrity Engineer, Officer in Charge  
Pond and Company, Inc.  
3500 Parkway Lane, Suite 500  
Peachtree Corners, GA 30092  
LunsfordB@pondco.com

39.2 Each party shall provide the other party written notice of any change in address as soon as practicable.

40. **Read and Understood.** By signing this Agreement, Consultant represents that it has read and understood the terms and conditions of the Agreement.

41. **Authority to Execute.** The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the Parties are formally bound.

42. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties and supersedes all prior written or oral communications and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

Intentionally left blank. Signatures follow on the next page.

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Agreement to be signed by their duly authorized representatives.

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Ryan P. Gallagher  
Chair, Board of Directors

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Kelly A. Lore  
Clerk of the Board

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Kevin Work  
Purchasing & Contracts Manager

**POND AND COMPANY, INC.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_  
Print Name and Title of Officer

LDR

**EXHIBIT A**  
**SCOPE OF WORK**  
**For**  
**Engine Exhaust Heat Recovery Boiler Assessment**

**EXHIBIT A**  
**SCOPE OF WORK**  
**Engine Exhaust Heat Recovery Boiler Assessment**  
**SPECIFICATION NO. CS-2025-650BD**

**1. BACKGROUND**

The Central Generation facilities at Orange County Sanitation District Plant No. 1 and 2 were completed in 1993, and house Cogeneration facilities, providing power and heat to support miscellaneous wastewater processes. There are three stationary reciprocating internal combustion engine-generator sets at Plant No. 1, and five at Plant No. 2. To support the operation of the engine-generator sets and the wastewater processes as a whole, various types of equipment such as pumps, heat exchangers, pressure vessels, piping, valves, etc. are needed to ensure that the gensets operate as designed.

Having been in operation for over 30 years, the major gensets support equipment has aged and degraded to varying degrees. For this reason, it is necessary to periodically assess the health, condition, and remaining useful life of the critical pressure containing components, like pressure vessels, tanks, boilers, heat exchangers, and piping systems. OC San is striving to improve the effectiveness of the current Engine Exhaust Heat Recovery Boilers and the associated preventive maintenance and examination program at both Plant Nos. 1 and 2 Cen Gen facilities. One element of this effort is planning for more standardized, rigorous, and comprehensive internal and external inspections to better understand the conditions of the boilers and their associated systems.

**1.1 DEFINITIONS**

- A. API – American Petroleum Institute
- B. As Found – shall mean the state the item is provided to the Consultant
- C. As Left – shall mean the state the item is provided by the Consultant
- D. ASME – The American Society of Mechanical Engineers
- E. ASTM – The American Society for Testing and Materials
- F. AWS – American Welding Society
- G. Cen Gen – Central Generation
- H. CML – Condition Monitoring Location
- I. BPVC – Boiler and Pressure Vessel Code
- J. Fitness – refers to every aspect of the item that defines its physical, chemical, or electrical nature, size, makeup, etc.
- K. Fit up – pertaining to the interaction, fitness, clearance, proximity, etc. between faying surfaces, conjoining, mating, and/or related parts.
- L. Genset – Engine Generator Set
- M. Hydro – Hydrostatic Pressure Test
- N. In service – A state of equipment being in operation
- O. LOTO – Lock-Out / Tag-Out (denoting applicable safety protocol)
- P. MAWP – Maximum Allowable Working Pressure
- Q. MDT – Minimum Design Temperature
- R. NBIC – National Board Inspection Code
- S. NDE – Non-Destructive Examination / NDT – Non-Destructive Testing
- T. NEW – shall mean unused, unrecycled, unopened, and unadulterated materials only
- U. OC San –Orange County Sanitation District
- V. OEM— Original Equipment Manufacturer
- W. O&M – Operations and Maintenance
- X. On Stream – a condition where the pressure vessel has not been prepared for an internal inspection, and the vessel is still in operation
- Y. psig – pound(s) per square inch gauge (typically denoting pressure)

- Z. Plant No. 1 – The Reclamation Plant located at 10844 Ellis Ave, Fountain Valley, CA 92708
- AA. Plant No. 2 – The Reclamation Plant located at 22212 Brookhurst St, Huntington Beach, CA 92646
- BB. Ra—Roughness Average (measured in units of microinches or  $1 \times 10^{-6}$  inch)
- CC. Safety Device – Pressure Safety/Relief Valve, etc.
- DD. Shutdown – When a piece of equipment is taken out of service
- EE. SOW – Scope of Work
- FF. Useful Life – The useful life of a component, assembly, etc. is defined as the limit by which said device would fail before its next regularly scheduled overhaul.

## 1.2 APPENDICES AND REFERENCE DRAWINGS

- A. A-1 Cen Gen Plant No. 1 & 2 Exhaust Heat Recovery Boiler Inspection Assessment List
- B. A-2 Cen Gen Exhaust Heat Recovery Boiler Drawings
- C. A-3 Release for Overhead Crane
- D. A-4 Cen Gen Layout Drawings
- E. A-5 Plant No. 1 Cen Gen P&ID
- F. A-6 Plant No. 2 Cen Gen P&ID
- G. A-7 Plant No. 1 & No. 2 Asbestos Inventory
- H. A-8 Plant No. 1 & No. 2 Cen Gen Lead Inventory
- I. A-9 Cen Gen Exhaust Heat Recovery Boiler Pictures

## 1.3 APPLICABLE STANDARDS

- A. API 510 Pressure Vessel Inspection Code
- B. API RP 571 Damage Mechanisms Affecting Fixed Equipment in the Refining Industry
- C. API RP 572 Inspection of Pressure Vessels
- D. API RP 573 Inspection of Fired Boilers and Heaters
- E. API RP 576 Inspection of Pressure-Relieving Devices
- F. API RP 578 Material Verification Program for New and Existing Alloy Piping Systems
- G. API RP 579 Fitness for Service
- H. ASME Boiler and Pressure Vessel Code
- I. ASME B31.1 Power Piping Code
- J. ASME B31.3 Process Piping Code

## 1.4 PERSONNEL REQUIREMENTS

- A. Corrosion Specialist – Minimum 10 years directly applicable experience in corrosion control, internal/ external corrosion, materials selection/ design and evaluation of pressure vessels and process boilers or minimum 5 years directly applicable experience with certifications in internal corrosion, chemical treatment and material selection/ design of pressure vessels and process boilers or approved equivalent by OC San in writing.
- B. Mechanical / Instrumentation Integrity Engineer(s) – Minimum 10 years directly applicable experience or minimum 5 years directly applicable experience with licensure as a Professional Mechanical Engineer(s) in pressure vessel, process boiler and pressure relief device design, construction, repair, and inspection, or approved equivalent by OC San in writing.
- C. Examiner – Certification in applicable NDE/NDT and AWS Procedure, as required per the **Inspection Plan**.
- D. Inspector – API-510 Certification (per API-510 Appendix B), and/or as further required by the inspection agency having jurisdiction in which the equipment is used or as legally required. The Consultant shall be responsible for securing/providing Authorized Inspector(s) for all inspections.
- E. Boiler Cleaning Personnel – Trained and competent to perform heat recovery steam generator boiler cleaning services with a minimum of 5 boiler cleanings.



## 2. GENERAL DESCRIPTION

The purpose of this SOW is to carry out comprehensive internal and external inspections of the eight Engine Exhaust Heat Recovery Boilers and their associated internal diverter valves and relief devices at Plant No. 1 and Plant No. 2 Cen Gen facilities in order to evaluate and assess the health, condition, and remaining useful life of the each boiler in accordance with API 510/ RP 572/ RP-573, state, local, federal requirements, and industry standards on an as-needed basis.

The Consultant shall also prepare the required **Inspection Reports** per API-510, providing one individual report for each boiler system assessed.

The Consultant shall provide the following:

- Comprehensive API-510 internal and external inspection and assessment of the Exhaust Heat Recovery Boilers and their associated internal diverter valves and safety devices. This shall include a **FINAL REPORT** for each boiler system.
- Provision of confined space entry and support for permit-required confined spaces in accordance with Exhibit "D" Contractor Safety Standards to the Agreement.
- Provision of boiler shell/tube cleaning (mechanical, and/or thermal methods) for removal of deposits such as scales, rust, and other contaminants as part of each boiler inspection/ assessment.
- Provision of lifting device/ scaffolding including safety devices/ equipment to support inspection, assessment, and repairs.
- The Consultant shall have the following staff—Authorized Pressure Vessel Inspector, Corrosion Specialist, Examiner and Mechanical / Instrumentation Integrity Engineers—available and duly licensed or certified to perform all the appropriate tasks, at a minimum, as they pertain to each individual piece of equipment, component, or safety device. API-510/ RP-572/ RP-573/ RP-576 shall be the general guideline for this work, though other relevant standards are needed to address specific equipment assessment requirements, as shown in 1.3 **APPLICABLE STANDARDS**.

OC San shall provide the Consultant access to all pertinent equipment areas, to perform the work as described in this SOW based on the approved **Inspection Plan** and Work Schedule. The Consultant will be responsible for performing permit required confined space entries or working from elevated locations and will be responsible for the appropriate approvals, staffing, and training as detailed herein. The Consultant will also be required to coordinate with contractors that may be in the same areas for other work.

The Consultant shall perform all the services in accordance with API-510/ RP-572/ RP-573/ RP-576, state, local, federal requirements, and industry standards, providing all necessary labor, expertise, testing, and inspection, or as otherwise required.

### 2.1 WORK ELEMENTS

#### 2.1.1 **Inspection and Condition Assessment**

The Consultant shall provide in-service comprehensive internal and external inspection and condition assessments of the Exhaust Heat Recovery Boilers per API-510/ RP-572/ RP-573/ RP-576, as detailed in Appendix A-1. Up to four inspections can be scheduled a year to target OC San's plan of completing all eight boiler inspections in two years. The exact timeline, order and number of the boiler inspections shall be determined by OC San staff based on equipment availability to support operations and permit requirements and on an as-needed basis.

Each inspection and condition assessment shall include a comprehensive internal and external inspection including, but not limited to the following: measurement of the defining wall

thickness(es), calculation of the corrosion rate and remaining safe useful life, the next recommended inspection date, observation results, photographs, findings, and recommendations, and as required by API-510. Refer to Section 2.1.5 for NDE/ NDT requirements.

In addition, a Fitness for Service analysis of corroded regions or locally thinned area, as well as other considerations and requirements per API-510/ RP-572/ RP-573 shall be provided by the Consultant to ascertain and/or quantify the equipment health per the standards intent, where applicable.

#### 2.1.2 **Boiler Associated Devices**

##### **Boiler Safety Devices**

The Consultant shall provide the testing and inspection services, as well as the retesting intervals, for the associated pressure relieving devices per API 510/ API RP 576 Inspection of Pressure-Relieving Devices.

##### **Boiler Internal Diverter Valve (Tube Side Exhaust Gas Bypass)**

The Consultant shall provide the testing and inspection services for the associated internal diverter valve per industrial standards.

#### 2.1.3 **Inspection Plan**

The Consultant shall submit for approval prior to work, a standard **Inspection Plan** with a schedule that will be used for all boilers identified in the Appendix A-1, as well as their associated internal diverter valves and safety devices. The **Inspection Plan** shall be developed by the inspector or engineer. The **Inspection Plan** shall include guidance from a Corrosion Specialist and encompass all relevant and/or applicable damage mechanisms, internal and external inspections, safety considerations, CML, type and extent of NDE, vessel operational parameters including operation at elevated temperatures, multi-zone vessel considerations (if applicable), pressure relieving devices, internal diverter valves or as otherwise required by API-510 or similar. The **Inspection Plan** shall be approved in writing by the OC San Project Manager and submitted to OC San via the submittal process prior to the start of any inspection work. Due to each boiler specific configuration and operating conditions, there might be differences and exceptions. The Consultant shall note these differences and exceptions in each boiler **Inspection Plan** (if applicable).

In addition, CMLs and examination points shall be permanently recorded, by permanent marking (paint mark) on the vessel itself, as well as by showing representatively on a drawing included in the **FINAL REPORT**, to enable repeatable and meaningful measurements to be taken in the future.

The Consultant shall be responsible for drilling and/or removing boiler insulation and for providing and installing inspection port plugs into the insulation accordingly. The Consultant shall be responsible for repairing and replacing any damaged insulation.

#### 2.1.4 **Work Schedule**

Up to four boiler inspections and condition assessments can be scheduled per year. The exact timeline, order, and number of the boiler inspections shall be determined by the OC San Project Manager based on equipment availability to support operations. However, it shall be the responsibility of the Consultant to work with the OC San Project Manager to formulate and propose an overall work schedule for each plant. There shall be a minimum of two schedules, one for each plant. Coordination of tasks between the two plants will be necessary, as their operational flexibility is reliant upon one another. See Appendices A-5 Plant No. 1 Cen Gen P&ID and A-6 Plant No. 2 Cen Gen P&ID for further operational details. The Consultant shall also formulate and propose the work schedule for each boiler scheduled inspection and condition assessment that will allow the various equipment and safety devices to be inspected as required

herein, while accommodating the operability of the plants.

#### 2.1.5 ***Non-Destructive Examination and Testing***

It shall be the responsibility of the Consultant to provide the certified staff to serve as Examiner, and the training, tools, test equipment, and expertise to adequately and appropriately measure, analyze, audit, and record the pertinent data per the ***Inspection Plan***. At a minimum, the following NDEs/ NDTs shall be included:

- Visual inspection of all boiler externals.
- Visual inspection of all accessible internal boiler surfaces such as the shell and heads, tubes, tube sheet, nozzles, external appurtenances, internal coating systems, and all other accessible areas.
- Visual inspection of boiler special features such as body expansion joint and internal diverter valve (tube side bypass damper).
- Dye Penetrant Testing (PT) or Equal of accessible internal welds (pressure boundaries).
- Eddy Current Testing (ECT) or Equal will be completed on 100% of the boiler tubes. A pass/fail threshold shall be set by the Consultant for the boiler tube conditional grading.
- A-Scan ultrasonic thickness testing (UTT) or Equal on accessible internal surfaces or external surfaces of the shell, head, and nozzles. The Consultant shall submit for approval a suitable minimum of points to be marked, measured, and recorded. The Consultant shall provide inspection port plugs into the boiler insulation for the approved points.
- Dry Film Thickness (DFT) measurements or Equal on all accessible coatings.
- Other examinations/ tests required by the latest applicable industry by code(s) and regulation(s).

Any result from these tests that warrant an immediate action shall be conveyed to the OC San Project Manager as soon as possible.

In the event that surface preparation like surface grinding, etc. is necessary to facilitate the collection of data, the Consultant shall be responsible for both the application of the surface treatment(s), as well as the subsequent re-application or surface preparation or repair to match the original design, to the extent needed to retain the original design intent or as found. Calibration records for the NDE technology to be employed shall be recorded prior to the start of work, periodically, and as required by the applicable specification, and included in the **FINAL REPORT**.

#### 2.1.6 ***Boiler Cleaning***

It shall be the responsibility of the Consultant to provide boiler shell and tube cleaning as part of each boiler condition assessment and inspection. Boiler cleaning shall remove deposits such as scale, rust, and other contaminants from the tubes and shell of the boiler both externally and internally. The Consultant shall use methods such as mechanical, and/or thermal methods to clean boiler tubes. Depending on the type and severity of deposits, a combination of cleaning methods may be necessary. The Consultant shall determine the most appropriate cleaning methods that are compatible with the boiler services and materials of construction to avoid damaging the boiler and its appurtenances. If the Consultant determines chemical cleaning of the boiler tubes is necessary, the Consultant shall obtain written approval in advance from the OC San Project Manager. The cost of chemical cleaning of the boiler tubes shall be based on unit costs and extended costs in the optional pricing table of Exhibit "B" Proposal. The Consultant shall follow all safety and environmental guidelines and regulations, boiler manufacture recommendations, and industry standards when cleaning boiler tubes. Boilers shall be sufficiently flushed, drained, dried, and inspected after all cleanings to remove all chemical residuals (if chemicals are used) to avoid contamination of the steam and damage to the boilers and/or the stainless-steel engine exhaust piping and equipment. Cleaning methods and procedures shall be provided to the OC San Project Manager for review and approval prior to the start of work. For any chemical cleaning, the Consultant shall ensure effluent is collected/contained and hauled away by the Consultant.

The Consultant shall be responsible for repairing and replacing any damaged parts/ equipment resulting from improper boiler cleaning. The Consultant shall provide proof of proper boiler cleaning. The boiler cleaning procedures shall be included in the boiler **Inspection Plan** (Section 2.1.3).

#### 2.1.7 **Manufacturers Data Report**

The Consultant shall secure the appropriate Manufacturers Data Report, Data Sheet, Design Calculations, U-1 Report, R-1 Reports, etc., in the event that OC San does not have access to the original document(s). Access to some documents(s) (I.e. Vessel U-1 Report, R-1 Reports, etc.) may require a paid service to obtain the records accordingly, of which the Consultant is financially responsible. In the event that the original equipment details are inaccessible, or where the operational data has changed, the Consultant shall provide suitable details in which to base the inspection. Under all circumstances, the Consultant shall provide a copy of the representative Data Report or Operational Parameters/Assumptions used in the inspection plan, calculations, or formulations of the results and include it in the **FINAL REPORT**.

In the event that equipment material type is unknown, the Consultant shall employ the use of a suitable technology—e.g. x-ray fluorescence, optical spectrograph—to positively ascertain the material type for further analysis, testing, and repair accordingly. See API-578 for further details.

#### 2.1.8 **Asset Data Collection**

The Consultant shall compare the equipment information provided in the accompanying list, Appendix A-1 Cen Gen Plant No. 1 & 2 Exhaust Heat Recovery Boiler Inspection Assessment List to the nameplate information printed on the equipment, pressure vessel, or datasheet. In the event that the information is different, the Consultant shall make every attempt to correct, amend, and/or add any missing information to the attached list by recording the details in the **FINAL REPORT**.

#### 2.1.9 **Inspection Report**

The Consultant shall compile and author a unique **Inspection Report** for each piece of equipment and documenting all of the required details, pertinent vessel information, observations, inspections, certifications, calibration data, test results, corrosion rates, remaining useful life, findings, safety concerns, future inspection intervals, recommendations for repairs/ upgrades etc. and as required herein. For reference, Appendix C of API-510 shows a Sample Pressure Vessel Inspection Report.

Photographs shall be taken and provided in the **Inspection Report**, and include the nameplate, vessel appurtenances, internals, externals, connections, base, foundation, nozzles/connections, hold down bolts at a minimum, or as required by the applicable specification.

Boiler **Inspection Reports** shall be provided not more than 14 calendar days following the completion of the applicable boiler inspections/ assessments.

#### 2.1.10 **Repairs, Alterations, Changes**

There are no boiler repairs, alterations, or changes to be made under this SOW; however, the Consultant shall identify, recommend, and/or detail any repairs, alterations, or changes that may be required to ensure that the equipment is capable of operating safely, reliably, and efficiently when being placed back in service. All findings shall be recorded in the applicable equipment **Inspection Report**. If a boiler is found in an unsafe condition, it is the responsibility of the Consultant to bring the condition to the immediate attention of the OC San Project Manager, and have the property or equipment tagged accordingly.

## 2.2 **GENERAL**

All work performed by the Consultant on the equipment listed herein shall be completed in accordance with OEM specifications, attachments, instructions, and as required by the latest applicable industry codes and regulations as stipulated under this SOW, unless otherwise approved by the OC San Project Manager in writing prior to execution of the work. The most

stringent requirement shall take precedence if a conflict arises between any of the aforementioned requirements. Access to the OEM O&M manuals, specifications, and procedures will be made available upon written request, if available.

- 2.2.1 The Consultant shall provide all boiler disassembly, reassembly, cleaning, rigging, and transportation required to complete the work covered in this SOW.
- 2.2.2 The Consultant is responsible for the removal of all debris, trash, excess, etc. from the site associated with this SOW. However, OC San reserves the right to keep all used, unused, and replacement parts. All debris and Consultant-generated waste shall be disposed of in an environmentally safe manner by the Consultant at no additional cost to OC San. Hazardous wastes (i.e., asbestos and lead) generated in course of this SOW will be managed and disposed of by OC San, including provision of any waste containers and manifesting. The Consultant shall be responsible for removal and handling of the hazardous waste. Under no circumstances shall hazardous waste be commingled with non-hazardous waste. A known list of asbestos and lead hazards are shown in Appendices A-7 Plant No. 1 & 2 Asbestos Inventory and A-8 Plant No. 1 & 2 Cen Gen Lead Inventory, respectively. It is the responsibility of the Consultant to verify as necessary, any additional areas that may be subject to the same.
- 2.2.3 No OC San materials or equipment shall be taken off the site, without OC San's written authorization. Before removing any OC San owned property, the Consultant shall provide a list of parts being considered for removal and obtain written approval from the OC San Project Manager. When parts are subsequently returned to OC San's premises by the Consultant, the OC San Project Manager shall sign a receipt of components accordingly.
- 2.2.4 Except as specified elsewhere herein, the Consultant shall furnish field supervision, home office support, labor, permanent materials, equipment and tools including but not limited to lifting devices and scaffolding, consumable supplies, transportation, testing, safety equipment and personnel protective equipment, temporary and support facilities, insurance, and any other items of expense required to perform all activities described herein. OC San will provide a suitable laydown area for this work, at either plant or both, as required. The Consultant shall include all expenses/costs related the trailer/laydown area in its Proposal.
- 2.2.5 The Consultant shall be responsible for the proper care and storage or handling of all parts, either onsite, during transport, or at the relevant offsite location accordingly. Proper care, protection, and storage includes protecting workpieces from the elements, contaminant ingress, condensation, outside forces, paint spray, cross contamination, damage during activities, etc. In some cases, heaters, wrapping, tarps, desiccant, etc. will be necessary for protection purposes, and shall be solely supplied, designed, provided, and installed by the Consultant.
- 2.2.6 OC San shall assign a Technical Witness and/or an Inspector for all of the Consultant's activities, including but not limited to all readings taken and tests performed by the Consultant. The Consultant shall retake readings or redo tests if they are deemed unreliable or erroneous at the sole discretion of OC San. and at no additional cost to OC San.
- 2.2.7 The Consultant shall be solely responsible for maintaining all items in accordance with the manufacturer instructions until the OC San Project Manager accepts the work as complete.
- 2.2.8 The Consultant shall be responsible for the repair or replacement of any item, in-kind, damaged by the Consultant or its subcontractor(s) without any cost or schedule impact to OC San.
- 2.2.9 The main overhead crane in the Cen Gen Engine Room may be used as part of this SOW. The Consultant shall review the manufacturer's lifting recommendations and provide any required lifting equipment such as slings or spreader bars. The crane can be made available

to the Consultant for use and shall be left in the As Found condition, incurring no consequential damage. The Consultant must submit a Hold-Harmless Agreement and provide proof of training to Risk Management prior to use of an OC San-owned crane or hoist. The Consultant shall assume complete responsibility for its usage and indemnify OC San of all liability thereof, in accordance with Exhibit "D" Contractor Safety Standards of the Agreement. A rigging and lifting plan are required for movement of any equipment weighing greater than 7,500 lbs. All proposed rigging, lifting plans, and equipment submitted to OC San shall be certified and approved by a Structural Engineer registered and licensed in the State of California.

- 2.2.10 Cen Gen facilities will be in operation during the execution of the work, with other work possibly happening in close proximity, or at the same time. The Consultant shall coordinate all work to avoid any interference with normal plant operations, equipment maintenance, and other projects or processes happening simultaneously. Downtime for access, inspection, shall be allowed as permissible. Written shutdown requests shall be submitted to the OC San Project Manager, at least six weeks in advance of the planned activity. Requests shall include, at a minimum, a drawing and item list to identify the system or equipment included in the shutdown request. The OC San Project Manager's written acceptance of shutdown requests shall be obtained 14 days in advance of any planned work. Any work that blocks roadways, access to buildings, parking lots, etc. shall require prior approval and written acceptance by the OC San Project Manager. The Consultant shall follow OC San's LOTO procedures for isolation of equipment at all times. OC San will isolate the structure and associated systems, prepare a written energy control procedure (ECP), and walk each isolation point and review the ECP with the Consultant. The Consultant shall provide their own locks and tags. Each employee shall be required to have their own unique lock, properly applied. If work on energized electrical systems is required, refer to the section entitled "Energized Work" of Exhibit "D" Contractor Safety Standards of the Agreement.

### **3. CONSULTANT ADDITIONAL RESPONSIBILITY AND WORK DETAILS**

#### **3.1 GENERAL**

The Consultant shall provide OC San with the following:

- A. Inspection schedule showing key milestones for completion and weekly update for each boiler inspection.
- B. The Consultant, and its personnel assigned to this work, shall have the proper certifications required to perform the entailed tasks per the applicable standard(s).
- C. The Consultant is responsible to provide all materials and/or equipment, which are specified or otherwise, implied as required materials by this SOW and its reference drawings and specifications, unless stated otherwise herein as OC San Furnished Parts/Equipment.

#### **3.2 RIGGING, DISASSEMBLY, REMOVAL AND BOILER CLEANING**

- A. The Consultant shall be responsible for disassembly of the boilers including but not limited to removing vessel insulation, flanges, manway covers, and the top blind flange as required for inspections and cleaning.
- B. Prior to inspecting each boiler, the Consultant shall perform boiler shell and tube cleaning services both internally and externally to ensure the boiler is safe for entry and is ready for examinations and testing. The boiler cleaning shall remove all dirt, debris, scales, and other buildup from the boiler shell and tube. Refer to Section 2.1.6 Boiler Cleaning for additional requirements.
- C. Prior to boiler cleaning, the Consultant shall be responsible for covering and sealing off the inlet and outlet boiler exhaust pipe connections to prevent the cleaning solution from entering

the inlet/outlet exhaust piping. Failure to properly cover these connections can result in water entering the exhaust piping and damage the exhaust system once the system is brought back in service.

- D. In the event the Consultant requires the use of the OC San-owned crane, the Consultant shall submit a Hold-Harmless Agreement, and a Training Verification form to OC San's Risk Management Division for approval in accordance with Exhibit "D" Contractor Safety Standards of the Agreement. A copy of the Hold-Harmless Agreement is provided as Appendix A-3 Contractor Release, Waiver of Liability and Indemnity Agreement for Use of Overhead Crane.
- E. The Consultant shall provide trained staff, tools, rigging, and the necessary equipment and materials needed to execute this work.
- F. The main overhead crane in the Cen Gen Engine Room has a capacity of 20-Tons and may be used as part of this assessment. The Consultant shall review the equipment manufacturer's lifting recommendations and shall provide all required lifting equipment, such as slings and spreader bars. The Consultant shall submit certified rigging plans for approval by the OC San Project Manager prior to beginning any lifting operations, as detailed herein. The Consultant shall review Exhibit "D" Contractor Safety Standards to the Agreement prior to use.
- G. The main floor of the Engine Room at each plant has a Maximum Floor Load rating of 300-pounds per square foot. The Consultant's rigging and loading efforts shall be accomplished while staying within this floor loading limitation when moving components and loaded vehicles, as necessary.

### 3.3 EQUIPMENT REASSEMBLY

- A. After completing the boiler inspections, the Consultant shall reassemble each boiler on its original condition including reinstallation of vessel insulation, valves, instruments, blind flanges, etc.
- B. The Consultant shall reinstall all boiler enclosure covers and flanges, check all fasteners for proper installation and torque. The Consultant shall provide proof of proper installation.
- C. The Consultant shall clean and replace all gaskets with correct type as required and seal all gas/ water side door with approved sealing materials prior to releasing the boiler(s) back to OC San for start-up. OC San will provide all required gaskets. The Consultant shall check and ensure all required materials available prior to start of each boiler inspection.

### 3.4 SAFETY AND HEALTH REQUIREMENTS

The Consultant and any Subcontractors shall comply with the most stringent aspect of all applicable provisions of the OC San Safety Standards, Federal/ CAL OSHA, and Local regulations or as otherwise required.

- A. **Injury and Illness Prevention Program** - The Consultant and any Subcontractors shall submit a copy of their written, Injury and Illness Prevention Program (IIPP). The IIPP must address responsibility, compliance, communication, hazard assessment, incident investigation, hazard correction, and training as required by Title 8, California Code of Regulations, Section 3203.
- B. **Contractor Safety Orientation** - The Consultant and any Subcontractors shall attend a Contractor Safety Orientation (CSO) meeting prior to the start of work. The CSO is a OC San safety orientation conducted between the Risk Management Division (safety and health) and the Contractor. The CSO is conducted once per year or as job conditions or SOW changes. The Consultant and any Subcontractors shall participate in these meetings by providing work plans and other requested safety deliverables described below.
- C. **Job Safety Analysis (JSA)** - The Consultant shall prepare a Job Safety Analysis (JSA) for work tasks completed by the Consultant and any Subcontractors. The JSA is a procedure where each basic step of the work task has identified hazards and recommended controls for the safest way to complete the work task.
- D. **Lock Out Tag Out (LOTO)** - The Consultant and any Subcontractors shall participate in the OC San LOTO process. OC San will isolate the associated systems prior to Contractor work. OC San will prepare a written energy control procedure for the system. OC San will

demonstrate hazardous energy has been controlled by walking each isolation point and reviewing the energy control procedure with the Consultant and any Subcontractors. The Consultant and any Subcontractors shall apply their own lock and tag to the OC San lock box upon acceptable and sign the energy control procedure. Each Contractor employee working on the system must apply their own lock and tag.

- E. **Confined Space Entry** - Entry into any confined space requires review by Risk Management. The Consultant and any Subcontractors shall provide their Confined Space Entry Program, prepare space-specific entry procedures, a ventilation plan (if applicable), rescue plan, a Permit-Required Confined Space (PRCS) Entry Permit, and training records. The Consultant and any Subcontractors is required to have a copy of its current confined space entry permit at every job site at all times. The OC San inspector or Engineer may shut down the job site at no additional cost to OC San if the permit is not available upon request. OC San Risk Management will review submitted Entry Permit, Entry Procedures, Rescue Plan and Ventilation Plan. If accepted, OC San Risk Management will issue the Consultant and any Subcontractors a Confined Space Job Hazard Analysis (JHA) authorizing the Consultant and any Subcontractors for such entry.
- F. **Fall Protection** - Fall protection shall be provided around all openings to protect Contractor employees and OC San. Fall protection at openings shall consist of a portable guardrail or other suitable barrier to prevent persons from falling to a lower level. Fall protection will be required when working at heights greater than six feet.  
If scaffolding is required, the scaffolding system shall be designed by a scaffold qualified person and erected, inspected and dismantled by a scaffold competent person. The scaffolding shall be supplied by a qualified, experienced scaffolding company. Consultant and any Subcontractors shall submit scaffold plans prior to use and must be approved by OC San Project Manager.
- G. **Hot Work** - Any activity producing spark, flame or heat will require an OC San issued hot work permit. The Consultant and any Subcontractors, depending on the activity, will be required to provide appropriate controls in accordance with OC San's hot work program. These controls may include a fire watch, 20-pound fire extinguisher, fire blankets, and atmospheric monitor.
- H. **Chemical Safety** - All chemicals brought onsite shall be accompanied with a safety data sheet (SDS). The Consultant and any Subcontractors must store and use those chemicals in accordance with the SDS and manufacturer instructions. Upon request, OC San will provide the Consultant and any Subcontractors with SDS's for chemical used by OC San. The Consultant and any Subcontractors shall be familiar with the location of the nearest emergency shower/eye wash system.
- I. **Training Records** - Consultant and any Subcontractors shall submit copies of its employee trainings records to Risk Management for retention.
- J. **PPE** - Consultant and any Subcontractors shall wear Level D personal protective equipment (PPE), which includes hard toed work boots, safety glasses, hard hats, high-visibility safety vests, long pants, sleeved shirts while in the treatment plant areas. Additional PPE may be required by the work or area (e.g. hearing protection, face shields, coveralls). All work performed in the wastewater treatment plant requires a calibrated 4-gas monitor (CO, H<sub>2</sub>S, LEL, O<sub>2</sub>).

#### 4. **RESOURCES AVAILABLE**

##### 4.1 **REFERENCE DRAWINGS**

Access to the OEM O&M manuals, specifications, and procedures will be made available upon written request, if available.

##### 4.2 **PHYSICAL RESOURCES**

OC San will make the following resources available to the Consultant:



- A. Overhead crane (upon approval from OC San's Risk Management Division), see Section 3.2.
- B. Access to electrical supply (120V), and single use compressed air hook-up (up to 90psi).
- C. The Consultant shall be responsible for providing the following at a minimum, for their own use:
  - i. Restroom(s)
  - ii. Breakroom(s)
  - iii. Telephone(s)
  - iv. Extension Cords or Power Supplies
  - v. Air Supply over 90 psig, and/or more than single use

#### 4.3 OC SAN STAFF

The Consultant's staff shall be available to support OC San's staff for LOTO and consultation during Consultant working days.

### 5. OVERALL INSPECTION SCHEDULE

The overall inspection schedule should be formulated to allow up to four boiler inspections per year or up to eight inspections in two years. The Consultant shall work with the OC San Project Manager to schedule in advance these eight inspections as part of the OC San Preventive Maintenance program. The Consultant shall plan work based on this planned schedule.

OC San will authorize one boiler inspection at a time. OC San reserves the right to alter / postpone the schedule or cancel any planned boiler inspection as required to support operational needs. OC San shall notify the Consultant of the potential schedule change / delay two weeks in advance of each planned boiler inspection.

The Consultant shall provide a detailed schedule for each boiler planned inspection and condition assessment listing all activities in Figure 2. This schedule does not include all aspects, nor intricacies, of the required project reporting requirements. Rather, it is provided as a convenient reference for the Consultant to use as a basis for the required Deliverable—Overall Inspection/Assessment Schedule. Figure 2 shows the expected maximum duration for each boiler inspection. The total duration of each boiler inspection shall not exceed 14 calendar days unless approved in writing by the OC San Project Manager. This maximum duration does not include submittal of the **FINAL REPORT**.

OC San staff will help coordinate the planned shutdowns, inspections and condition assessments with the Consultant and with OC San's Operations to ensure that all required resources are available for each inspection.

<u>ACTIVITY</u>	<u>DEADLINE</u>
Notice to Proceed (NTP)	NTP = Effective Date
Kick-Off Meeting	NTP + 1 Calendar Days
Submittals <ul style="list-style-type: none"> <li>- Safety Documentation</li> <li>- Overall Boiler Inspection Schedule</li> <li>- Boiler Inspection Plan (including boiler cleaning procedures)</li> </ul>	NTP + 28 Calendar Days
Inspection and Condition Assessment Report Boiler #1 thru #4	NTP + 365 Calendar Days (planning purpose only, not an actual deadline)
Inspection and Condition Assessment Report Boiler #5 thru #8	NTP + 730 Calendar Days (planning purpose only, not an actual deadline)

Figure 1. Milestone Schedule for Boiler Inspection/Assessment

<b>ACTIVITY</b>	<b>Max Duration (Calendar Days)</b>	<b>DEADLINE</b>
<b>Boiler Inspection Purchase Order Notice to Proceed (NTP)</b>	<b>0</b>	<b>NTP = Effective Date</b>
<b>Kick-Off Meeting</b>	<b>1</b>	<b>NTP + 1 Calendar Days</b>
<b>Submittals</b> - Safety Documentation - Inspection Schedule - Inspection Plan (including cleaning procedures)	<b>1</b>	<b>NTP + 2 Calendar Days</b>
<b>LOTO / Disassembly / Cleaning / Inspection / Condition Assessment</b>	<b>6</b>	<b>NTP + 8 Calendar Days</b>
<b>Reassembly / Return to PPO</b>	<b>1</b>	<b>NTP + 9 Calendar Days</b>
<b>Submit Inspection Report</b>	<b>12 (not exceed 14)</b>	<b>NTP + 21 Calendar Days</b>
<b>Approved Final Report</b>	<b>9</b>	<b>NTP + 30 Calendar Days</b>

Figure 2. Typical Schedule for Each Boiler Inspection/Assessment

## 6. **DELIVERABLES**

The following deliverables are in addition to any submittal requirements in the Agreement:

### 6.1 **SCHEDULE**

The Consultant shall provide a Baseline Schedule as specified above, to include all activities, tests, equipment shutdowns, etc.

A. Format: MS-Project and PDF.

Delivery: First, copy (Baseline Schedule for boiler inspections). Subsequent updates as needed.

### 6.2 **SUBMITTALS**

A. Format: Adobe PDF attachment sent with transmittal email to the OC San Project Manager

B. Content: Refer to the following sections:

<b>#</b>	<b>Submittal Requirement</b>
1	OC San Internal Safety, Release, and Related Documentation (Note 1)
2	Certified Lifting Plans, Rigging & Crane Certifications as applicable (Note 1)
3	Boiler Cleaning Procedure (Part of Inspection Plan, Section 2.1.6) (Note 1)
4	Overall Boiler Inspection Schedule (Section 5)
5	Individual Boiler Inspection Schedule (Section 5)
6	Inspection Report (Section 2.1.9, 6.3)
7	Final Report (Section 6.3)

**Notes:**

1. Documentation shall be submitted within 28 calendar days from the effective date of the NTP.

### 6.3 **FINAL REPORT**

Following the completion of an equipment inspection and condition assessment, the Consultant shall provide a unique **Inspection Report** for each boiler system as detailed herein, shown below, and include it in the individual boiler **FINAL REPORT** as a compilation of inspection report, Manufacturer's Data Report, NDE Calibration Records, etc.:

A. Report Document:

1. File Naming Convention: The electronic file Naming Convention for the individual inspection reports shall be as follows: "Secondary ID\_Secondary ID Description". For example, the Engine #1 Exhaust Heat Recovery Boiler at Plant No. 1 Cen Gen would be named "16BBOL500\_BOILER, ENGINE1, P1 CENGEN".
2. Electronic Format: shall be formatted in Microsoft Word, Version 2013 or later.
3. Content: shall contain a complete description of all tasks performed, all readings and measurements taken, pictures and findings, inspection and test results, repairs completed and recommendations.

B. Report Submittal Deadline

1. Individual **Inspection Report** - All equipment inspection reports shall be provided not more than 14 calendar days following the completion of the applicable boiler inspections/ assessments.
2. Individual **FINAL REPORT** – The Final Report and compilation of all the necessary information, assessment reports, calibration data, data reports, repairs, etc., as detailed herein, shall be provided not more than 21 calendar days following the completion of the applicable boiler inspections.

## 8. **PROJECT MANAGEMENT**

The Consultant shall provide the names of key management and supervisory personnel as described in its Proposal for this SOW. The Consultant shall be responsible for the supervision and management of all subcontractors and subconsultants utilized under this SOW. OC San may request re-assignment of any of the Consultant's (or subcontractor's and subconsultant's) personnel.

### 8.1 **MEETINGS**

- A. Kick Off Meeting: Prior to the commencement of work under this Agreement, a meeting with the OC San Project Manager and staff shall be held to establish appropriate contacts and review the Consultant's plan to implement this work. Follow-up bi-weekly progress meetings shall be held at OC San to establish the overall Boiler Inspection Schedule and discuss general coordination efforts.
- B. Focus Meetings and Dry Runs: The Consultant shall prepare for and oversee a focus meeting and a dry run prior to each shutdown and boiler inspection as directed by the OC San Project Manager. The focus meetings and dry runs will serve to share information, discuss technical issues, understand time constraints, receive, and resolve comments, obtain decisions, and receive direction from the OC San Project Manager and staff. These actions shall insure that potential problems can be anticipated and either avoided or minimized. In addition, these activities will identify any specific equipment or parts that shall be required on site prior to the shutdown and subsequent work, so that delays are minimized or avoided for the shutdowns.

- C. Quarterly Progress Meetings: shall attend if required by OC San during the duration of the Agreement. Topics for discussion: review work in progress and receive comments. The formal agenda shall be submitted with the previous meeting notes at least one week prior to each meeting.
- D. All meetings shall be attended by the OC San Project Manager, staff, and the Consultant. The Consultant shall be responsible for the preparation of formal agendas for all meetings and for the preparation of meeting notes.

## **8.2 WORK HOURS**

When working onsite at OC San, the Consultant may work 9-hour shifts between the hours of 06:00 and 16:00, Monday through Thursday. No work shall be performed on Fridays through Sundays, or OC San observed Holidays without prior written approval from the OC San Project Manager.

## **8.3 CHANGES TO APPROVED SCOPE**

OC San may order changes by issuance of a written revision to the SOW. If such changes impact the price, expenditure limitations, or schedule, then an equitable adjustment and schedule shall be negotiated and shall be set forth in an amendment to the Agreement.

## **9. MONITORING OF WORK**

During the course of each boiler inspection, the Consultant shall submit weekly progress reports for review and shall include at a minimum:

1. Current activities
2. Future activities
3. Potential out- of-scope items
4. Concerns and possible delays
5. Percentage of completion

## **10. WARRANTIES**

- A. The Consultant shall warrant that the work performed will be free of defects in materials and workmanship.
- B. New OEM or equal parts shall be warranted for one year and the Consultant shall be responsible for removal, installation, and shipping costs of replacement. Existing parts that are repaired, machined, or otherwise overhauled, shall be warranted for 180 days and the Consultant shall be responsible for removal, installation, and/or replacement and shipping costs of replacement. The warranty against defects in workmanship shall extend for 180 days and the Consultant shall be responsible for correcting the defective work.
- C. All warranty periods shall begin after satisfactory completion of the work detailed herein and as accepted as complete in writing by the OC San Project Manager.

## **11. STAFF ASSISTANCE**

The Consultant will be assigned a single point of contact for this Agreement. Any meetings and/or correspondence related to this Agreement shall be scheduled and approved by the OC San Project Manager or designee.