

**GENERAL SERVICES CONTRACT  
THICKENING AND DEWATERING CENTRIFUGE GEAR UNIT  
REPLACEMENTS AND SERVICE**

This GENERAL SERVICES CONTRACT (hereinafter referred to as "Contract"), 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 GEA Mechanical Equipment US, Inc. (hereinafter referred to as "Contractor"), and collectively referred to herein as the "Parties."

**RECITALS**

WHEREAS, OC San desires to retain the services of Contractor for the rebuild of eight (8) gear units ("Services") as described in Exhibit "A" attached hereto and incorporated herein by this reference; and

WHEREAS, Contractor is qualified to perform the Services by virtue of experience, training, education, and expertise; and

WHEREAS, OC San desires to engage Contractor to provide the Services; and

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

WHEREAS, on September 25, 2024, OC San's Board of Directors, by minute order, authorized execution of this Contract.

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 Contract and all exhibits hereto are made by OC San and the Contractor.

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

Exhibit "A" – Service Proposal  
Exhibit "B" – Special Export Control Regulations  
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 Contract and any of the provisions of the exhibits hereto, the provisions in the Contract 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 Contractor as a result of work performed in anticipation of acquisition of the Services by OC San.

- 1.5 Work Hours: All work shall be scheduled Monday through Friday, between the hours of 6:30 a.m. and 4:00 p.m.
- 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 Work: Shall mean all work, labor, and materials necessary to provide the Services.
- 1.9 The provisions of this Contract may be amended or waived only by an amendment executed by authorized representatives of both Parties.
- 1.10 The various headings in this Contract are inserted for convenience only and shall not affect the meaning or interpretation of this Contract or any paragraph or provision hereof.

**2. Scope of Work.**

- 2.1 Contractor shall perform the Services identified in Exhibit "A", attached hereto and incorporated herein by reference, in accordance with generally accepted industry and professional standards.
- 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 Contract, Contractor warrants that: (a) it has investigated the work to be performed; (b) it understands the facilities, difficulties, and restrictions of the work under this Contract; and (c) it has examined the site of the work and is aware of all conditions at the site. Should Contractor 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 Contractor'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. Contract Term.**

- 3.1 The Services shall be completed within Five Hundred Thirty-Six (536) calendar days from the effective date of the Notice to Proceed.
- 3.2 Extensions. The term of this Contract may be extended only by an amendment signed by both Parties.

**4. Compensation.**

- 4.1 As compensation for the Services provided under this Contract, OC San shall pay Contractor a total amount not to exceed Two Million Six Hundred Eighty-One Thousand Seven Hundred Seventy-Three and 63/100 Dollars (\$2,681,773.63).

Contractor 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" thirty (30) days from receipt of the invoice and OC San shall make payments in accordance with the milestone schedule set forth in Exhibit "A".
- 5.2 Contractor shall submit its invoices to OC San Accounts Payable by electronic mail 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 Contractor's employees and/or its subcontractors perform work related to this Contract 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 Contract. It is Contractor's responsibility to interpret and implement any prevailing wage requirements and Contractor agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.
- 6.2 Contractor and its subcontractors 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 Contractor and its subcontractors 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), Contractor shall post a copy of the prevailing rate of per diem wages at the job site.
- 6.5 Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code section 1776. Contractor and its subcontractors shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3). Pursuant to Labor Code section 1776, the Contractor and its subcontractors 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 Department of Industrial Relations. 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, Contractor 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 Contract.

6.6 The Contractor and its subcontractors shall comply with Labor Code section 1774 and section 1775. Pursuant to Labor Code section 1775, the Contractor and any of its subcontractors 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 Contractor or its subcontractor.

6.7 Contractor and its subcontractors shall comply with Labor Code sections 1810 through 1815. Contractor and its subcontractors 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 Contractor 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 Contractor and its subcontractors shall comply with Labor Code sections 1777.5, 1777.6, and 1777.7 concerning the employment of apprentices by Contractor or any subcontractor.

6.9 Contractor shall include, at a minimum, a copy of the following provisions in any contract it enters into with any subcontractor: 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 Contractor and its subcontractors will be required to secure the payment of compensation to employees. Pursuant to Labor Code section 1861, Contractor, by accepting this contract, 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.”

Contractor shall ensure that all its contracts with its subcontractors provide the provision above.

7. **Damage to OC San's Property.** Any of OC San's property to the extent damaged by the negligence or willful misconduct of Contractor, any subcontractor of Contractor, or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
8. **Freight (F.O.B. Destination).** Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
9. **Audit Rights.** Contractor agrees that, during the term of this Contract 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 Contractor relating to the invoices submitted by Contractor pursuant to this Contract provided that the foregoing shall not apply to any review of any firm fixed pricing.
10. **Contractor Safety Standards and Human Resources Policies.** OC San requires Contractor and its subcontractor(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as the Contractor Safety Standards while working at OC San locations. If, during the course of the Contract, it is discovered that the Contractor Safety Standards do not comply with Federal, State, or local regulations, the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor, its subcontractors, and all of their employees shall adhere to the safety requirements in Exhibit "A," all applicable Contractor Safety Standards in Exhibit "D," and the Human Resources Policies in Exhibit "E" attached hereto and incorporated herein by reference. Notwithstanding the foregoing, OC San must advise Contractor of any local regulations that impact OC San's operations that may implicate the Services and Contractor does not guarantee any compliance with, nor will Contractor incur any liability for failure of the equipment or work to comply with, any federal, state or local pollution control, effluent or utility control laws, rules, regulations, codes or standards; provided, however, that Contractor will comply with any specific equipment emission guarantees which form part of the scope of work.
11. **Insurance.** Contractor and all its subcontractors shall purchase and maintain, throughout the term of this Contract 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, attached hereto and incorporated herein by reference . Contractor shall not commence work under this Contract until all required insurance is obtained in a form acceptable to OC San, nor shall Contractor allow any subcontractor to commence service pursuant to a subcontract until all insurance required of the subcontractor has been obtained. Failure to obtain and maintain the required insurance coverage shall result in termination of this Contract.
12. **Bonds.** NOT USED
13. **Indemnification and Hold Harmless Provision and Limitation of Liability.** Except as to the sole negligence of or willful misconduct of OC San, Contractor shall defend OC San, its elected and appointed officials, officers, agents, and employees (the "OC Indemnitees") from and against any and all third party claims for injury to or death of any person, or damage to property ("Claims"), and to the extent of Contractors negligence or willful misconduct, protect and hold harmless the OC Indemnitees from any liabilities, damages, or expenses of any nature, including attorneys' fees, resulting from such Claims.

To the maximum extent permitted by law, Contractor'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. Contractor agrees to provide this defense immediately upon written notice from OC San, with Contractor controlling the defense and with well qualified, adequately insured, and experienced legal counsel acceptable to OC San.

In addition to the foregoing, Contractor warrants that the Services furnished hereunder and the sale or use thereof will not infringe any United States apparatus patent or misappropriate any third party intellectual property rights. Contractor agrees to defend any suit or proceeding brought against OC San or OC San's customer for any alleged infringement and to pay all costs, attorney fees, and damages relating thereto. Contractor shall have no obligation hereunder and this provision shall not apply to: (i) any Services which has been modified or combined with other equipment or process not supplied by Contractor; (ii) any Services supplied according to a design, other than an Contractor design, required by OC San; (iii) any products manufactured by the Services; (iv) any patent issued after the date hereof; or (v) any action settled or otherwise terminated without the prior written consent of Contractor. If, in any such action, the Services is held to constitute an infringement, Contractor shall, at its option and its own expense, procure for OC San the right to continue using said Services; or modify or replace it with non-infringing Services or remove it and refund the portion of the price allocable to the infringing Services.

OC San shall give Contractor prompt written notice of such action, all necessary assistance in the defense thereof and the right to control all aspects of the defense thereof including the right to settle or otherwise terminate such action in behalf of OC San. This section shall survive the expiration or early termination of the Contract.

In no event shall Contractor or its suppliers be liable in contract or in tort or under any other legal context or theory, including negligence and strict liability, for any special, punitive, indirect, incidental or consequential damages of any kind or character, including, but not limited to, loss of use of productive facilities or goods, costs of product recall, plant downtime, damage to or loss of product, chemicals, catalysts, feedstock or other raw materials, loss of revenues or profits or loss under purchases or contracts made in reliance on the performance or non-performance of the Serviced goods, whether suffered by OC San or any third party. Contractor's and its suppliers' aggregate responsibility and liability, whether arising out of contract or tort or any other legal context or theory, including negligence and strict liability, all claims for breach of any warranty or guarantee, failure of performance or delay in performance by Contractor or performance or non-performance of the Serviced goods shall not exceed the Contract price for the Services.

14. **Independent Contractor.** The relationship between the Parties hereto is that of an independent contractor and nothing herein shall be deemed to make Contractor an OC San employee. During the performance of this Contract, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as OC San's officers, employees, or agents. Contractor and its officers, employees, and agents shall obtain no rights to any benefits which accrue to OC San's employees.
15. **Subcontracting and Assignment.** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.

16. **Disclosure.** Contractor agrees not to disclose, to any third party, data or information generated from this Contract without the prior written consent from OC San.
17. **Non-Liability of OC San Officers and Employees.** No officer or employee of OC San shall be personally liable to Contractor, 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 Contractor or to its successor, or for breach of any obligation under the terms of this Contract.
18. **Third-Party Rights.** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
19. **Applicable Laws and Regulations.** Contractor shall comply with all applicable Federal, State, and local laws, rules, and regulations. Contractor also agrees to indemnify and hold OC San harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any provision required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically included or referenced.
20. **Licenses, Permits, Ordinances, and Regulations.** Contractor 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 Contract will be paid by Contractor.
21. **Regulatory Requirements.** Contractor shall perform all work under this Contract 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.
22. **Environmental Compliance.** Contractor shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Contractor, its subcontractors, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
23. **South Coast Air Quality Management District's Requirements.** It is Contractor's responsibility to ensure that all equipment furnished and installed be in accordance with the latest rules and regulations of the South Coast Air Quality Management District (SCAQMD). All Contract work practices, which may have associated emissions such as sandblasting, open field spray painting, or demolition of asbestos containing components or structures shall comply with the appropriate rules and regulations of SCAQMD.
24. **Warranties.**
- 24.1 Contractor's Warranty (Guarantee): If within twelve (12) month period from date of delivery specified in Exhibit "A," OC San informs Contractor that any portion of the Services provided fails to meet the standards of material and workmanship required under this Contract, Contractor shall, within the time agreed to by OC San and Contractor, take all such actions as are necessary to correct or complete the noted deficiency(ies) at

Contractor's sole expense provided that (a) the Serviced goods are installed in accordance with Contractor's specifications and instructions and is used and maintained normally and properly in accordance with their intended use as provided in this Contract; (b) the Services goods are used for processing product consistent with the characteristics set forth in this Contract; (c) the Serviced goods have not been changed without the prior written approval of Contractor; (d) OC San gives prompt written notice to Contractor before the end of the warranty period specifying all alleged defects in the Serviced goods; and (e) OC San preserves and turns over to Contractor and permits reasonable inspection by Contractor of all allegedly defective Serviced goods, parts or items and access to the Serviced goods.

24.2 Contractor's responsibility for any defect under warranty is subject to the condition that it is not caused by one or more of the following: (i) normal wear and tear of parts; (ii) use of non-original spare parts; (iii) use of consumables or utilities not in strict conformity with the specifications stated in the Contract or written manuals; (iv) any failure of upstream and/or downstream equipment; (v) modifications without Contractor's express prior written consent; (vi) use of corrosive or abrasive substances; (vii) the storage, handling, use, operation or maintenance of any goods which is not in strict conformity with good engineering practice, the Contract or any written requirements of Contractor, including any failure to comply with Contractor's written manuals or instructions and OC San's own quality assurance requirements; (viii) information, services, personnel, equipment or other items supplied by OC San; (ix) failure to permit Contractor to perform supervision of installation and/or installation; and/or (x) other conditions or circumstances not due to the fault of Contractor (collectively, "Warranty Conditions").

24.3 THIS WARRANTY IS THE ONLY WARRANTY MADE BY CONTRACTOR AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND CONTRACTOR DISCLAIMS ON BEHALF OF ITSELF, ITS SUBCONTRACTORS AND SUBSUPPLIERS ANY AND ALL IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A SPECIFIC PURPOSE (OTHER THAN THE PURPOSE STATED IN THE OC SAN'S SPECIFICATIONS SET FORTH IN THE CONTRACT), SUITABILITY OR PERFORMANCE.

24.4 Contractor's obligation under this warranty and any other warranty or guarantee which is part of the Contract is strictly and exclusively limited to furnishing repairs or replacements for Services or parts determined to be defective on inspection by an authorized representative of Contractor. Contractor assumes no responsibility and shall have no liability for any repairs or replacements by OC San without Contractor's prior written authorization. If Contractor did not originally install the Services, Contractor shall have no liability for the costs of removing or segregating any defective Services so that the repairs or replacements can be made.

## **25. Dispute Resolution.**

25.1 In the event of a dispute as to the construction or interpretation of this Contract, 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.



25.2 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.

**26. Liquidated Damages.** NOT USED

**27. Remedies.** If the Contractor fails to make delivery of the goods and Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods and Services, OC San may, only after giving Contractor notice of the breach and Contractor either failing to commence to cure the breach within five (5) days or thereafter fails to continue diligent efforts to complete the cure in a reasonable period of time, OC San may, in addition to other remedies available in law or equity, cancel the Contract.

**28. Personal Security.** If, in Contractor's reasonable opinion, the working environment, accommodation and transport arrangements create a personal security risk for Contractor's technician, Contractor shall notify OC San and provide a reasonable period time to cure said risk, as agreed by the Parties. If following the cure period a personal security risk still exists, Contractor has the right to discontinue the Site Services without liability to OC San.

**29. 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.

**30. Termination.**

30.1 OC San reserves the right to terminate this Contract 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, Contractor shall immediately discontinue all work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for work performed (cost and fee) through the date of termination. Contractor expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Contract. Such notice of termination shall terminate this Contract and release OC San from any further fee, cost, or claim hereunder by Contractor other than for work performed through the date of termination.

30.2 OC San reserves the right to terminate this Contract immediately upon OC San's determination that Contractor is not complying with the Scope of Work requirements, if the level of service is inadequate, or for any other default of this Contract, except as set forth in Section 24 herein. Further, Contractor may only terminate the Contract pursuant to the terms of Section 24.

30.3 OC San may also immediately terminate this Contract for default, in whole or in part, by written notice to Contractor:

- if Contractor becomes insolvent or files a petition under the Bankruptcy Act; or
- if Contractor sells its business; or
- if Contractor breaches any of the terms of this Contract; or
- if the total amount of compensation exceeds the amount authorized under this Contract.

30.4 All OC San's property in the possession or control of Contractor shall be returned by Contractor to OC San on demand or at the expiration or early termination of this Contract, whichever occurs first.

31. **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 Contract, 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.

32. **Waiver.** The waiver by either party of any breach or violation of, or default under, any provision of this Contract shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Contract or default thereunder. Any breach by Contractor 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.

33. **Severability.** If any section, subsection, or provision of this Contract; or any agreement or instrument contemplated hereby; or the application of such section, subsection, or provision is held invalid, the remainder of this Contract 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.

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

35. **Governing Law.** This Contract 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 Contract or the performance thereof.

36. **Notices.**

36.1 All notices under this Contract 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:

Jackie Lagade

Purchasing Supervisor  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
[jlagade@ocsan.gov](mailto:jlagade@ocsan.gov)

Contractor: Evan Walker  
Vice President  
GEA Mechanical Equipment US, Inc.  
100 Fairway Court  
Northvale, NJ 07647  
[Evan.Walker@gea.com](mailto:Evan.Walker@gea.com)

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

37. **Read and Understood.** By signing this Contract, Contractor represents that it has read and understood the terms and conditions of the Contract.
38. **Authority to Execute.** The persons executing this Contract on behalf of the Parties warrant that they are duly authorized to execute this Contract and that by executing this Contract, the Parties are formally bound.
39. **Entire Agreement.** This Contract 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 Contract 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 and Contracts Manager

**GEA MECHANICAL EQUIPMENT U.S., INC.**

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

JL

# SERVICE PROPOSAL

## Four new gear units and four gear unit rebuilds.

Date: 6/25/2024  
Proposal No: 13021140  
Plant Location: Fountain Valley, CA

**GEA Mechanical Equipment US, Inc.**

100 Fairway Court  
Northvale, NJ 07647  
Tel. (201) 767-3900  
Fax (201) 767-3901  
[www.gea.com](http://www.gea.com)

State of Incorporation: Delaware  
President: Evan Walker

Dear Mr. Ryan Myers,

We are pleased to submit our proposal for the refurbishment of all eight (8) of the gear units for both the CA 1035 and the CA 1036 decanters.

## 1. Equipment

Model	Serial Number	Location
CA 1035-00-33	8008-654,-656,-566 & -657	Fountain Valley, CA
CA 1036-50-33	8008-658,-659,-660 & -661	Fountain Valley, CA

## 2. Scope of Supply

GEA is pleased to present the following Gear unit repair estimate for your review and approval. All repairs, as detailed below, Please note that all repairs detailed herein will require GEA Board authorization prior to acceptance of your purchase order.

In an effort to standardize the gear units and take advantage of US-based service, we propose converting existing Cyclo gears to Desch units. This transition will ensure uniformity of gear units across the site and enable the use of local service options.

For the removal and installation of the gear units, the district mechanics will undertake this task. It is important to note that the removal of the scroll from the bowl is necessary during this process to prevent any damage to tiles or seals. Additionally, one ring must be displaced to facilitate the gear unit replacement.

## **GEAR UNIT WORKSCOPE**

To assist with the first conversion, GEA will provide a factory-trained service technician for 5 days on-site to offer training and support to the plant staff. This will empower your team to perform subsequent gear unit replacements independently. The cost for this initial support is included in our quotation.

We will pre-order the new gears to ensure that all four gear units are available when the conversion begins, thereby minimizing operational downtime.

All parts necessary for the four rebuilds will also be pre-ordered to secure availability at the shop before the first unit is sent for rebuilding.

### **Scope #1: CA 1036 Thickening Decaners (Serial Numbers 8008-658, -659, -660, & -661)**

This project involves supplying four new Desch gear units to replace the existing Cyclo units. The procedure will require dismantling the rotating assembly from the frame and separating the scroll from the bowl before the gear unit can be extracted. Conversion parts will be delivered as kits. Given that the removal of the solids end main bearing from the gear unit end shaft is necessary, a secondary kit with all required seals, gaskets, and a new main bearing will be provided and utilized as needed. Following the installation of the new gear, the machinery will be reassembled, and the entire rotating assembly will be reinstalled in the frame for operation. The CA 1036 units' parameters will be updated to accommodate the new Desch gear units. Each conversion will necessitate a single 3-days onsite visit, the cost of which is included in our quote. All shipping costs are covered in the quoted price.

### **Scope #2: CA 1035 Dewatering Decaners (Serial Numbers 8008-654, -656, -566, & -657)**

The four existing Desch gear units on the CA 1035 units will undergo a rebuild. This process mirrors the work described in Scope #1. After dismantling the rotating assembly and separating the scroll from the bowl, the gear unit will be prepared for shipping to the repair shop. The cost of shipping is included in the quoted price. Upon completion of the rebuild, the gear unit will be returned, and the decanter reassembled with new seals, gaskets, and main bearings as necessary. The rotating assembly will then be reinstalled into the frame, ready to be restarted and returned to service without the need for parameter adjustments. Any spare parts not utilized during the rebuild will be added to the Orange County Sanitation District's parts inventory for future needs.

**Price summary:**

Description of service	Unit sales price	Extended price
<p>4x Conversion to Desch Gear Units: This includes the provision of new Desch gearboxes along with the parts needed to do the conversion.</p> <p>Parts needed for conversion includes:</p> <ul style="list-style-type: none"> <li>- 8399-3400-008 drive shaft for 80.000Nm</li> </ul>	\$341,074.49	\$1,364,297.96
<p>4x On-site Visits for Control Adjustments:</p> <p>Conducted over a three-day period for modifying the controls in response to the gear unit swaps.</p>	\$8,000.00	\$32,000.00
4x Desch Gear Units Rebuilds	\$237,500.00	\$950,000.00
<p>8x Bearing, Seal, and Gasket Kits: These kits contain the necessary components for the replacement of the solids end main bearings.</p>	\$39,861.41	\$318,891.28
<p>1x On-site Visit for OCSD Maintenance Training:</p> <p>GEA will provide a factory-trained service technician for 5 days on-site to offer training and support to the plant staff in perform gear unit replacements independently.</p>	\$16,584.39	\$16,584.39
<b>Total</b>		<b>\$2,681,773.63</b>

### 3. Specific Terms & Conditions

<b>PRICE:</b>	Sales price (Excludes taxes).	\$2,681,773.63
	DDP , Fountain Valley, CA. (Incoterms, 2020)	
	Estimated taxes (Subject to change)	\$ 230,404.06
	Total including taxes	\$ 2,912,177.69

<b>DELIVERY:</b>	All four new gear units must be ordered concurrently with an expected delivery timeframe of 28-30 weeks from the approval of the purchase order. The gear unit replacement process is estimated to take between 30-45 days, depending on the availability of the plant staff. Similarly, parts necessary for gear rebuilds should be ordered alongside the gear units, with a lead time of 26-30 weeks and an anticipated
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repair duration of 30-45 days, subject to shipping schedules. Exact timeframes for both delivery and repairs will be confirmed at the time of the purchase order approval.

**PAYMENT TERMS:**

20% with Submittal on gear parts and new gears  
30% with New Desch gear units shipping from factory (Germany)  
25% with first New Desch gear unit conversion (at plant site)  
20% with first repaired Desch gear unit delivered to site.  
5% with completion of project.

All invoices excluding down payment are due net 30 days on presentation of invoice.

Shipment will be conducted via regular truck; any special shipping requirements must be requested in writing at the time of order placement, subject to additional charges.

For the disposal of non-serviceable parts, any component deemed non-serviceable will be listed on our repair estimate. Unless otherwise directed by the purchaser in writing at the time of order, the purchaser grants GEA Mechanical Equipment permission to dispose of these non-serviceable parts.

**VALIDITY:**

Prices are firm for acceptance for ninety (90) days from date of proposal

**WARRANTY:**

Warranty against faulty workmanship and GEA materials for a period of 12 months after delivery.

This quotation is subject to the Terms & Conditions of Sale, including the Limited Equipment Warranty and Disclaimer contained therein, a copy of which can be found in Section II of this proposal.

**Seller reserves the right to adjust the Contract Price for any escalation in the cost of materials (including without limitation the cost of stainless steel, nickel and other metals) that occurs in the time period from the date of Seller's quotation and up to and including the date Seller (or any affiliate of Seller) orders materials for the manufacture or assembly of Seller's supply ("Contract Price Adjustment"). Any Contract Price Adjustment shall be based solely on the escalation (if any) of Seller's direct costs."**

**COVID-19 DISCLAIMER:** Due to current developments and measures taken globally, nationally and locally in connection with the World Health Organization's declared public health emergency in respect of the COVID-19 pandemic, GEA's offered goods and/or services can be negatively affected. Although GEA is taking actions to mitigate potential supply impacts, please be advised that our choice of suppliers / subcontractors, delivery lead-times, engineering and/or site services, quoted prices, etc. may be impacted due to the COVID-19 pandemic. Such adverse effects may, in particular, be caused by or occur in response to actions taken by a government or public authority (including the imposition of embargoes or import or export restrictions, quarantine orders, travel restrictions or any other restrictions or prohibitions and the compliance by GEA or any of its sub-suppliers of any tier with corresponding laws or governmental orders, rules, regulations, directions, recommendations or precautions). The coronavirus pandemic and these effects may *inter alia* result in excessive illness rates of personnel, difficulties or increased costs in obtaining workers or goods, inability to transport goods or persons across borders, other travel restrictions or mobility impairments, personnel and/or material shortages, delays or other adverse circumstances affecting the supply of goods or services.

If you require additional information or any clarification, please do not hesitate to contact us.

Sincerely,

**Brian Lent**



**Service Sales Specialist**

Pharma and Non-Food Sales

Region NAM /North America

Email – [brian.lent@gea.com](mailto:brian.lent@gea.com)

Mobile 209-895-9267

Web [www.gea.com](http://www.gea.com)

**ACCEPTANCE**

For and on behalf of:

**GEA Mechanical Equipment**

Signed: .....

Name: .....

Date: .....

For and on behalf of:

**Orange County Sanitation District**

Signed: .....

Name: .....

Date: .....

For and on behalf of:

**GEA Mechanical Equipment**

Signed: .....

Name: .....

Date: .....

For and on behalf of:

**Orange County Sanitation District**

Signed: .....

Name: .....

Date: .....