



**AGENDA  
ENGINEERING, OPERATIONS, AND WATER RESOURCES  
COMMITTEE MEETING  
OF THE BOARD OF DIRECTORS  
INLAND EMPIRE UTILITIES AGENCY\***

**WEDNESDAY, AUGUST 10, 2022  
10:00 A.M.**

**AGENCY HEADQUARTERS  
BOARD ROOM  
6075 KIMBALL AVENUE, BUILDING A  
CHINO, CALIFORNIA 91708  
VIEW THE MEETING LIVE ONLINE AT IEUA.ORG  
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 813 028 107#**

PURSUANT TO AB361 AND RESOLUTION NO. 2022-7-2, ADOPTED BY THE IEUA BOARD OF DIRECTORS ON JULY 6, 2022, IEUA BOARD AND COMMITTEE MEETINGS WILL CONTINUE TO BE CONDUCTED THROUGH TELECONFERENCE. IN AN EFFORT TO PROTECT PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19, THERE WILL BE NO PUBLIC LOCATION AVAILABLE FOR ATTENDING THE MEETING IN PERSON.

The public may participate and provide public comment during the meeting by dialing the number provided above. Comments may also be submitted by email to the Board Secretary/Office Manager Denise Garzaro at [dgarzaro@ieua.org](mailto:dgarzaro@ieua.org) prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Board of Directors.

**CALL TO ORDER**

**PUBLIC COMMENT**

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to email the Board Secretary/Office Manager prior to the public comment section or request to address the Board during the public comments section of the meeting. Comments will be limited to three minutes per speaker. Thank you.

**ADDITIONS TO THE AGENDA**

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. **CONSENT ITEM**

A. **MINUTES**

Approve Minutes of the July 13, 2022 Engineering, Operations, and Water Resources Committee meeting.

2. **ACTION ITEMS**

A. **FERRIC CHLORIDE CHEMICAL CONTRACT**

Staff recommends that the Committee/Board:

1. Approve the award to provide the supply of ferric chloride chemicals, Contract No. 4600003169, to California Water Technologies, for a one-year contract for a not-to-exceed amount of \$1,800,000; and
2. Authorize the General Manager to execute the contract.

B. **SODIUM BISULFITE CHEMICAL CONTRACT**

Staff recommends that the Committee/Board:

1. Approve the award to provide the supply of sodium bisulfite chemicals, Contract No. 4600003168, to Univar, for a one-year contract, with four one-year renewal options, for a potential total contract term of five years for a not-to-exceed amount of \$4,900,000; and
2. Authorize the General Manager to execute the contract.

C. **MONTCLAIR FORCE MAIN IMPROVEMENTS CONSULTANT CONTRACT AWARD**

Staff recommends that the Committee/Board:

1. Award a consultant contract for the Montclair Force Main Improvements, Project No. EN21045, to Stantec Consulting Services Inc., for a not-to-exceed amount of \$688,290; and
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

D. **SOLE SOURCE PURCHASE FOR CONTINUED RP-1 AND RP-2 DISTRIBUTED CONTROL SYSTEM SUPPORT**

Staff recommends that the Committee/Board:

1. Approve the sole source purchase for continued technical support services, Contract No. 4600002966-1, with Schneider Electric, for a three-year contract, for a not-to-exceed amount of \$271,046; and
2. Authorize the General Manager to execute the contract.

**3. INFORMATION ITEMS**

**A. RP-5 EXPANSION PROJECT UPDATE (POWERPOINT)**

**RECEIVE AND FILE INFORMATION ITEMS**

**B. ENGINEERING AND CONSTRUCTION MANAGEMENT PROJECT  
UPDATES (POWERPOINT)**

**4. GENERAL MANAGER'S COMMENTS**

**5. COMMITTEE MEMBER COMMENTS**

**6. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

**ADJOURN**

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**DECLARATION OF POSTING**

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I, Denise Garzaro, CMC, Board Secretary/Office Manager of the Inland Empire Utilities Agency\*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at [www.ieua.org](http://www.ieua.org) at least seventy-two (72) hours prior to the meeting date and time above.

**In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (909) 993-1736 or [dgarzaro@ieua.org](mailto:dgarzaro@ieua.org), 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.**

**CONSENT**  
**ITEM**  
**1A**





**MINUTES  
ENGINEERING, OPERATIONS, AND WATER RESOURCES  
COMMITTEE MEETING  
INLAND EMPIRE UTILITIES AGENCY\*  
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, JULY 13, 2022  
10:00 A.M.**

**COMMITTEE MEMBER PRESENT via Video/Teleconference**

Marco Tule, Chair  
Michael Camacho, Director

**STAFF PRESENT**

Shivaji Deshmukh, P.E., General Manager  
Christiana Daisy, P.E., Deputy General Manager  
Kristine Day, Assistant General Manager  
Adham Almasri, Principal Engineer  
Tony Arellano, Safety Officer  
Pietro Cambiaso, Acting Director of Planning & Resources  
Denise Garzaro, Board Secretary/Office Manager  
Brandon Gonzalez Contreras, Technology Specialist I  
Michael Hurley, Director of Planning & Resources  
Randy Lee, Director of Operations & Maintenance  
Alyson Piguee, Director of External & Government Affairs  
Brent Ritzinger, Recycled Water/Groundwater Recharge Operations & Maintenance Specialist  
Frank Sotomayor, Facilities Program Supervisor  
Travis Sprague, Principal Engineer  
Wilson To, Technology Specialist II  
Ryan Ward, Associate Engineer  
Brian Wilson, P.E., CCM, Senior Engineer

**STAFF PRESENT via Video/Teleconference**

Andy Campbell, Acting Deputy Manager of Maintenance  
Javier Chagoyen-Lazaro, Director of Finance  
Robert Delgado, Manager of Maintenance  
Lucia Diaz, Manager of Facilities & Water System Programs  
Warren Green, Manager of Contracts & Procurement  
Don Hamlett, Director of Information Technology  
Jennifer Hy-Luk, Administrative Assistant II  
Nolan King, Network Administrator  
Scott Lening, Manager of Operations  
Ryan Love, Deputy Manager of Operations  
Jason Marseilles, Manager of Engineering  
William McDonnell, Senior Water Resources Analyst  
Lisa Morgan-Perales, Senior Water Resources Analyst  
Cathleen Pieroni, Senior Policy Advisor

Sushmitha Reddy, Manager of Laboratories  
Jeanina Romero, Executive Assistant  
Teresa Velarde, Manager of Internal Audit

### **CALL TO ORDER**

Committee Chair Marco Tule called the meeting to order at 10:01 a.m. He gave the public the opportunity to comment and provided instructions for unmuting the conference line. There were no public comments received or additions to the agenda.

### **1A – 1D. CONSENT ITEMS**

The Committee:

- ◆ Approved Minutes of the June 8, 2022 Engineering, Operations, and Water Resources Committee meeting.
- ◆ Recommended that the Board:
  1. Approve the award for the Banana Basin Infiltration Restoration Services, Contract No. 4600003154 to Jeremy Harris Construction, Inc. for a not-to-exceed amount of \$127,068; and
  2. Authorize the General Manager to execute the contract, subject to non-substantive changes;
- ◆ and
  1. Approve the award to provide Plumbing Services, Contract No. 4600003151 to Pro-Craft Construction for a not-to-exceed amount of \$300,000 over five years with a fixed price period of two years with three one-year options to extend with Consumer Price Index increases; and
  2. Authorize the General Manager to execute the service contract;
- ◆ and
  1. Approve an amendment to CDM Smith's engineering services contract in the amount of \$669,325, a 23% increase, for a not-to-exceed amount of \$3,626,734;
  2. Approve a total project budget augmentation for the Regional System Asset Management Project, No. EN19024, in the amount of \$329,000 in the RO Fund;
  3. Approve a total project budget augmentation for the NRW Manhole and Pipeline Project, No. EN19028, in the amount of \$341,000 in the NC Fund; and
  4. Authorize the General Manager to execute the contract and budget augmentation, subject to non-substantive changes;

as Consent Calendar items on the July 20, 2022 Board meeting agenda.

## **2A – 2B. ACTION ITEMS**

The Committee:

- ◆ Recommended that the Board:
    1. Approve a contract amendment for the Regional Plant No. 1 Solids Thickening Building, Project No. EN22044, to Carollo Engineering, Inc., for a not-to-exceed amount of \$880,393 increasing the contract from \$13,677,502 to \$14,557,895 (6.0% increase); and
    2. Authorize the General Manager to execute the contract, subject to non-substantive changes;
  - ◆ and ratify the change order for the construction contract for the Wineville, Jurupa, Force Main, Project No. RW15003.06, to MNR Construction, Inc. in the amount of \$188,188.27
- as Consent Calendar items on the July 20, 2022 Board meeting agenda.

## **3A – 3D. INFORMATION ITEMS**

The following information items were presented or received and filed by the Committee:

- ◆ Operations & Maintenance Department Quarterly Update
- ◆ 4th Quarter Planning & Resources Updates
- ◆ RP-5 Expansion Project Update
- ◆ Engineering and Construction Management Project Updates

## **4. GENERAL MANAGER'S COMMENTS**

General Manager Shivaji Deshmukh stated that on July 12, staff participated in a tour of Metropolitan's Regional Recycled Water Advanced Purification Center in Carson. The team learned about the regional recycled water purification process at the new demonstration facility and how the full-scale program works.

General Manager Deshmukh also stated that the Agency will be holding its annual Employee Appreciation Picnic on July 20 at 11:30 at Headquarters.

## **5. COMMITTEE MEMBER COMMENTS**

Director Camacho thanked staff for the presentations and Director Tule for chairing the meeting. Director Tule thanked staff for the presentations.

## **6. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

There were no Committee member requested future agenda items.

## **ADJOURNMENT**

With no further business, Committee Chair Tule adjourned the meeting at 10:58 a.m.

Respectfully submitted,

Denise Garzaro  
Board Secretary/Office Manager

\*A Municipal Water District

**APPROVED: AUGUST 10, 2022**

DRAFT

ACTION  
ITEM  
2A

**Date:** August 17, 2022

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

08/10/22

**Staff Contact:** Christiana Daisy, Deputy General Manager

**Subject:** Ferric Chloride Chemical Contract

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**Executive Summary:**

Ferric chloride is a chemical used at the Agency to control the hydrogen sulfide (H<sub>2</sub>S) concentrations in the treatment process. The South Coast Air Quality Management District (AQMD) limits Agency facilities to emit five pounds per day or less of total sulfur compounds. The addition of ferric chloride is needed to maintain permit compliance. Ferric chloride also enhances settleability of solids in the primary treatment process.

The Agency's current ferric chloride contract expires in August 2022. A Request for Proposal was issued on PlanetBids on May 5, 2022 to secure a ferric chloride chemical supplier. There were three responsive bidders, California Water Technologies, Kemira Water Solutions, Incorporated, and Pencco, Incorporated. The proposals were evaluated and it was determined that California Water Technologies was the most qualified and responsive bidder. California Water Technologies bid is approximately 32% higher than the current rate, but the proposed rate is in line with recent chemical cost increases due to raw material shortages and increased freight cost. The Contract and Procurement Unit also benchmarked this bid with neighboring agencies and found the price to be consistent. California Water Technologies is the current ferric chloride supplier and has performed well in their current capacity.

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**Staff's Recommendation:**

1. Approve the award to provide the supply of ferric chloride chemicals, Contract No. 4600003169, to California Water Technologies, for a one-year contract for a not-to-exceed amount of \$1,800,000; and
2. Authorize the General Manager to execute the contract.

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**Budget Impact** *Budgeted (Y/N): Y    Amendment (Y/N): N    Amount for Requested Approval:*

*Account/Project Name:*

N/A

*Fiscal Impact (explain if not budgeted):*

N/A

**Prior Board Action:**

The IEUA Board approved a contract with California Water Technologies for Ferric Chloride chemical for seven years on August 19, 2015.

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**Environmental Determination:**

Not Applicable

N/A

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**Business Goal:**

The IEUA ferric chloride chemical contract is consistent with IEUA's Business Goal of Business Practices, specifically the Operations objective that IEUA is committed to sustainable cost containment of operating and capital costs.

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**Attachments:**

Attachment 1 - PowerPoint Presentation

Attachment 2 - Contract (Linked)



# Ferric Chloride Chemical Contract

Ryan Love  
Deputy Manager of Operations  
August 17, 2022



# IEUA Wastewater Chemicals

Chemical	Purpose
Sodium hypochlorite	<ul style="list-style-type: none"><li>Disinfection</li></ul>
Sodium bisulfite	<ul style="list-style-type: none"><li>Neutralize residual chlorine</li></ul>
Aluminum sulfate	<ul style="list-style-type: none"><li>Tertiary flocculation</li></ul>
Polymer 750E	<ul style="list-style-type: none"><li>Centrifuge dewatering</li></ul>
Polymer 748E	<ul style="list-style-type: none"><li>Dissolved air flotation thickener and belt press dewatering</li></ul>
Ferric chloride	<ul style="list-style-type: none"><li>H<sub>2</sub>S management and primary clarifier settling</li></ul>
Anti-struvite	<ul style="list-style-type: none"><li>Struvite prevention in centrate piping</li></ul>

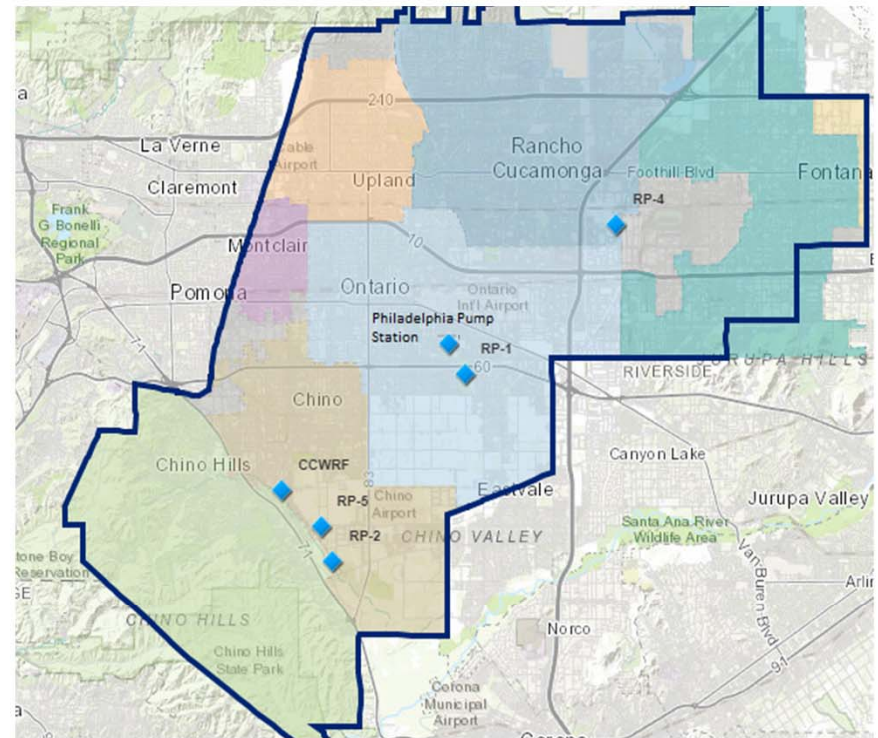
# Chemical Supplier Challenges

Chemical	Cost Increase Justification
Sodium hypochlorite	<ul style="list-style-type: none"><li>• Caustic</li><li>• Chlorine</li><li>• Freight</li></ul>
Sodium bisulfite	<ul style="list-style-type: none"><li>• Caustic soda</li><li>• Molten sulfur</li><li>• Freight</li></ul>
Aluminum sulfate	<ul style="list-style-type: none"><li>• Sulfuric acid</li><li>• Alumina trihydrate</li><li>• Freight</li></ul>
Polymer 750E	<ul style="list-style-type: none"><li>• Methyl acrylate</li><li>• Freight</li></ul>
Polymer 748E	<ul style="list-style-type: none"><li>• Methyl acrylate</li><li>• Freight</li></ul>
Ferric chloride	<ul style="list-style-type: none"><li>• Hydrochloric acid</li><li>• Freight</li></ul>

# Background

Ferric Chloride is used at:

- Regional Water Recycling Plant No. 1 (RP-1)
- Regional Water Recycling Plant No. 2 (RP-2)
- Regional Water Recycling Plant No. 4 (RP-4)
- Regional Water Recycling Plan No. 5 (RP-5)
- Carbon Canyon Water Recycling Facility (CCWRF)
- Philadelphia Pump Station



# Purpose of Ferric Chloride



RP-2 Flare

- To meet South Coast Air Quality Management District Hydrogen Sulfide Emission Requirements.
  - Emit less than 5lb/day of total sulfur compounds
  - Anaerobic Digesters
  - Flare
  - Boiler
- Improve settleability in treatment process.
  - Primary Clarifiers



RP-2 Boiler

# Proposal Evaluation

Three proposals were received on June 6, 2022

## Proposals Received

California Water Technologies
Kemira Water Solutions, Incorporated
Pencco, Incorporated

Proposals were scored based on the pre-determined weighted criteria

## Selection Criteria

- Prices and fees
- Past record of performance
- Completeness and accuracy of proposal
- Extent and significance of any exceptions taken
- Agency insurance requirements

# Proposal Results

Contract Terms	California Water Technologies	Kemira Water Solutions Incorporated	Pencco Incorporated
One-year fixed price	\$0.4445/dry pound	\$0.5868/dry pound	\$0.70/dry pound
Option year 1	No Bid	\$0.6407/dry pound	\$0.75/dry pound
Option year 2	No Bid	\$0.6676/dry pound	\$0.81/dry pound
Option year 3	No Bid	\$0.6946/dry pound	\$0.86/dry pound
Option year 4	No Bid	\$0.7215/dry pound	\$0.92/dry pound



# Proposal Evaluation Results



CCWRF Ferric Station

- California Water Technologies provides the best value to the Agency.
  - Agency supplier since 2015.
  - Current contract expires August 2022.
  - Manufactured in Santa Fe Springs, California.
- Unit price increase of 32% for Ferric Chloride.
  - Raw material shortages.
  - Increased transportation cost.

Current Cost	Proposal Cost
\$0.34/dry pound	\$0.45/dry pound
Budget	Projected
\$1.39M	\$1.8M

# Recommendation

- Approve the award to provide the supply of ferric chloride chemicals, Contract No. 4600003169, to California Water Technologies, for a one-year contract for a not-to-exceed amount of \$1,800,000; and
- Authorize the General Manager to execute the contract.

The IEUA Ferric Chloride Chemical Contract is consistent with **IEUA's Business Goal of Business Practices**, specifically the Operations objective that IEUA is committed to sustainable cost containment of operating and capital costs.



ACTION  
ITEM  
2B

**Date:** August 17, 2022

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

08/10/22

**Staff Contact:** Christiana Daisy, Deputy General Manager

**Subject:** Sodium Bisulfite Chemical Contract

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**Executive Summary:**

Sodium bisulfite is a chemical used at the Agency to dechlorinate tertiary disinfected effluent prior to discharging to receiving waters. In order to maintain compliance with the Agency's National Pollutant Discharge Elimination System permit, chlorinated water must be neutralized below 0.1 mg/L prior to discharging to receiving waters.

The Agency's current sodium bisulfite chemical contract expires in September 2022. A Request for Proposal was issued on PlanetBids on May 5, 2022 to secure a sodium bisulfite chemical supplier. There were two responsive bidders, JCI Jones Chemicals, Incorporated, and Univar Solutions USA, Incorporated. The proposals were evaluated and it was determined that Univar USA, Inc., was the most qualified and responsive bidder. Univar's bid is approximately 69% higher than the current rate. The Contract and Procurement Unit also benchmarked this bid with neighboring agencies and found the price to be consistent. Univar is the current sodium bisulfite chemical supplier and has performed well in their current capacity.

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**Staff's Recommendation:**

1. Approve the award to provide the supply of sodium bisulfite chemicals, Contract No. 4600003168, to Univar, for a one-year contract, with four one-year renewal options, for a potential total contract term of five years for a not to exceed amount of \$4,900,000; and

2. Authorize the General Manager to execute the contract.

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**Budget Impact** Budgeted (Y/N): Y Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

N/A

*Fiscal Impact (explain if not budgeted):*

N/A

**Prior Board Action:**

The IEUA Board approved a one year extension with Univar for sodium bisulfite chemical for one year on September 14, 2021.

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**Environmental Determination:**

Not Applicable

N/A

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**Business Goal:**

The IEUA sodium bisulfite chemical contract is consistent with IEUA's Business Goal of Business Practices, specifically the Operations objective that IEUA is committed to sustainable cost containment of operating and capital costs.

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**Attachments:**

Attachment 1 - PowerPoint Presentation

Attachment 2 - Contract (Linked)



# Sodium Bisulfite Chemical Contract

Ryan Love  
Deputy Manager of Operations  
August 17, 2022

# IEUA Wastewater Chemicals

Chemical	Purpose
Sodium hypochlorite	<ul style="list-style-type: none"><li>Disinfection</li></ul>
Sodium bisulfite	<ul style="list-style-type: none"><li>Neutralize residual chlorine</li></ul>
Aluminum sulfate	<ul style="list-style-type: none"><li>Tertiary flocculation</li></ul>
Polymer 750E	<ul style="list-style-type: none"><li>Centrifuge dewatering</li></ul>
Polymer 748E	<ul style="list-style-type: none"><li>Dissolved air flotation thickener and belt press dewatering</li></ul>
Ferric chloride	<ul style="list-style-type: none"><li>H<sub>2</sub>S management and primary clarifier settling</li></ul>
Anti-struvite	<ul style="list-style-type: none"><li>Struvite prevention in centrate piping</li></ul>

# Chemical Supplier Challenges

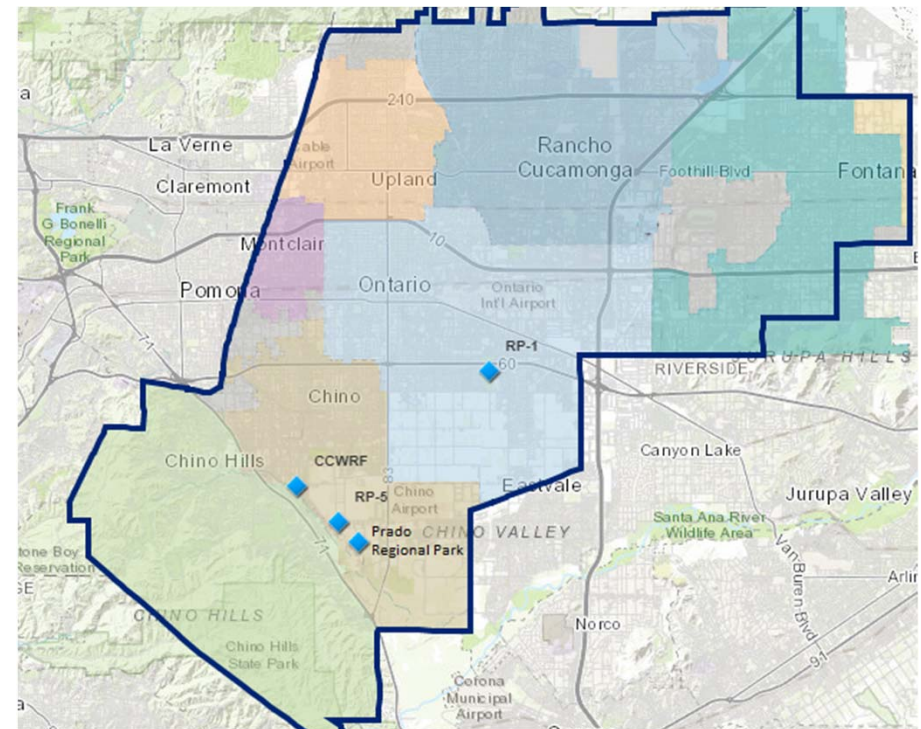
Chemical	Cost Increase Justification
Sodium hypochlorite	<ul style="list-style-type: none"><li>• Caustic</li><li>• Chlorine</li><li>• Freight</li></ul>
Sodium bisulfite	<ul style="list-style-type: none"><li>• Caustic soda</li><li>• Molten sulfur</li><li>• Freight</li></ul>
Aluminum sulfate	<ul style="list-style-type: none"><li>• Sulfuric acid</li><li>• Alumina trihydrate</li><li>• Freight</li></ul>
Polymer 750E	<ul style="list-style-type: none"><li>• Methyl acrylate</li><li>• Freight</li></ul>
Polymer 748E	<ul style="list-style-type: none"><li>• Methyl acrylate</li><li>• Freight</li></ul>
Ferric chloride	<ul style="list-style-type: none"><li>• Hydrochloric acid</li><li>• Freight</li></ul>



# Background

Sodium bisulfite is used at:

- Regional Water Recycling Plant No.1 (RP-1)
- Regional Water Recycling Plant No.5 (RP-5)
- Prado Regional Park
- Carbon Canyon Water Recycling Facility (CCWRF)



# Purpose of Sodium Bisulfite



CCWRF SBS Storage Tanks

Permit requirement.

- Chlorine residual requirements are regulated by the National Pollutant Discharge Elimination System (NPDES) permit.
  - Permit requires less than 0.1 mg/L chlorine residual
- Sodium bisulfite is used to neutralize residual chlorine from the disinfection process.



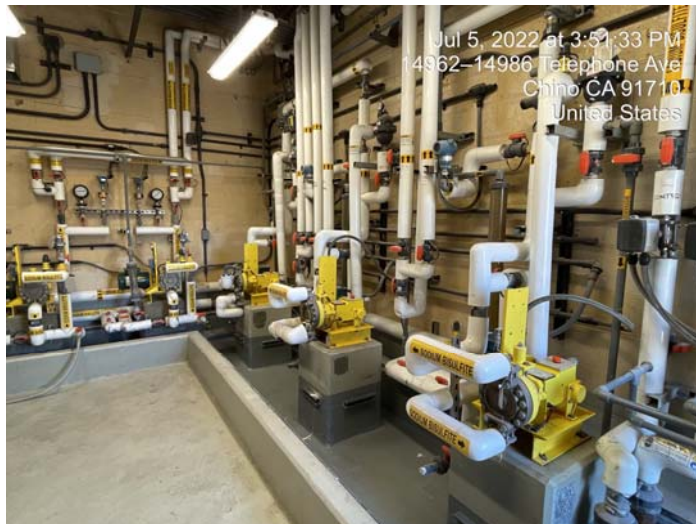
# Proposal Evaluation

Two proposals were received on May 30, 2022

## Proposals Received

Univar Solutions USA Incorporated

JCI Jones Incorporated



CCWRF SBS Pump Station

Proposals were scored based on the pre-determined weighted criteria

## Selection Criteria

- Prices and fees
- Past record of performance
- Completeness and accuracy of proposal
- Extent and significance of any exceptions taken
- Agency insurance requirements

# Proposal Results

Contract Terms	Univar Solutions USA Incorporated	JCI Jones Incorporated
One-year fixed price	\$0.6804/dry pound	\$0.7126/dry pound Subject to quarterly pricing after 9/30/2022
Option year 1	10% Adjustment Cap	No Bid
Option year 2	10% Adjustment Cap	No Bid
Option year 3	10% Adjustment Cap	No Bid
Option year 4	10% Adjustment Cap	No Bid

# Proposal Evaluation Results



RP-5 Dechlorination Basin

- The evaluation of the proposals received concluded that Univar would provide the best value to the Agency.
  - Agency supplier since September 2015.
  - Current contract expires September 2022.
  - Univar is a global distributor of industrial chemicals.
- Unit price increase of 69% for sodium bisulfite.
  - Raw material shortages and increased transportation cost.

Current Cost	Proposal Cost
\$0.40/dry lb	\$0.68/dry lb
Budget	Projected
\$443k	\$802k

# Recommendation

- Approve the award to provide the supply of sodium bisulfite chemicals, Contract No. 4600003168, to Univar Solutions USA Incorporated, for a one-year contract, with four one-year renewal options, for a potential total contract term of five years for a not to exceed amount of \$4,900,000; and
- Authorize the General Manager to execute the contract.

The IEUA Sodium Bisulfite Chemical Contract is consistent with **IEUA's Business Goal of Business Practices**, specifically the Operations objective that IEUA is committed to sustainable cost containment of operating and capital costs.

ACTION  
ITEM  
2C

**Date:** August 17, 2022

*ADD*

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

08/10/22

**Staff Contact:** Christiana Daisy, Deputy General Manager

**Subject:** Montclair Force Main Improvements Consultant Contract Award

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### Executive Summary:

Inland Empire Utilities Agency (IEUA) operates and maintains the Montclair Lift Station and associated sewer force main pipeline, which was constructed in 1975, and is approximately 47 years old. The existing force main runs west to east along Philadelphia Street from the Montclair Lift Station to a discharge manhole just east of Euclid Avenue. The force main does not have access to covered manholes and cannot be taken out of service for inspection or maintenance. The goal of the construction of a new parallel force main is to allow the existing force main to be taken offline for maintenance and cleaning, which will also enhance system reliability.

IEUA retained GHD Inc. for preliminary design services on January 20, 2021, as an approach to combine five project pre-design reports. The Montclair Force Main Improvements project's final design was advertised on PlanetBids on April 19, 2022. On June 14, 2022, four design consultants responded to the project solicitation and were evaluated to determine which proposal offered the best value to IEUA. A selection committee determined that Stantec Consulting Services Inc. provided the best value for this project. Stantec has the technical experience and resources to complete the project design successfully. Stantec's not-to-exceed proposal in the amount of \$688,290 was deemed comprehensive and reasonable.

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### Staff's Recommendation:

1. Award a consultant contract for the Montclair Force Main Improvements, Project No. EN21045, to Stantec Consulting Services Inc., for the not-to-exceed amount of \$688,290; and
2. Authorize the General Manager to execute the contract, subject to non-substantive changes.

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**Budget Impact** *Budgeted (Y/N):* Y *Amendment (Y/N):* N *Amount for Requested Approval:*

*Account/Project Name:*

EN21045/Montclair Force Main Improvements

*Fiscal Impact (explain if not budgeted):*

None.

**Prior Board Action:**

On January 20, 2021, the Board of Directors awarded a contract to GHD Inc., for the pre-design engineering services on FY 20/21 Five Project Predesign, Project No. EN21045, for a not-to-exceed amount of \$478,973. The individual cost for the Montclair Force Main Improvements Project was \$95,995.

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**Environmental Determination:**

Not Applicable

CEQA determination will be prepared prior to the completion of the final design.

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**Business Goal:**

The Montclair Force Main Improvements Project is consistent with IEUA's Business Goal of Wastewater Management, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainability managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

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**Attachments:**

Attachment 1 - PowerPoint Presentation

Attachment 2 - Contract (Click to Download)

# **Attachment 1**





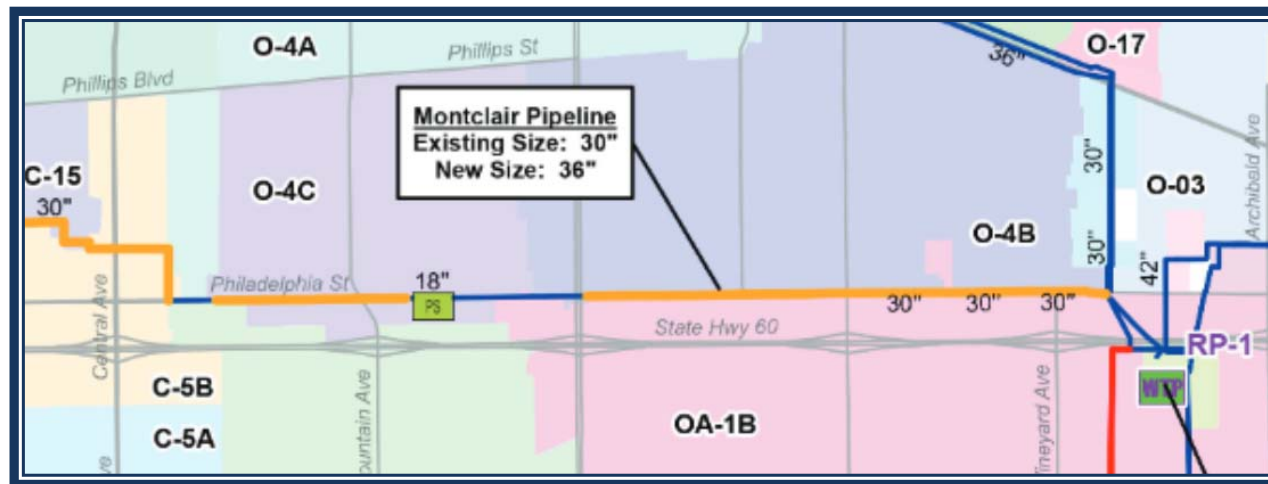
# Montclair Force Main Improvements

## Consultant Contract Award

### Project No. EN21045

Justin Tao, E.I.T.  
Associate Engineer  
August 2022

# Project Location - Ontario





# Project Background

- Existing Force Main Condition
  - Original construction (47 years)
  - Lack of access for inspection/clean-out
  - No cleaning or maintenance
  - Unable to bypass existing force main
  - Deterioration in discharge manhole
- Pre-Design Report completed by GHD Inc.



Montclair Force Main Philadelphia Street View

## Project Scope

- New 4,600 LF 20" HDPE pipeline
  - New maintenance clean-outs
- Install two (2) new isolation valves
  - Motor Operated Plug Valves
  - SCADA control and monitoring
- Replace and upsize deteriorated discharge manhole
- Perform condition assessment and cleaning



Interior of Existing Discharge Manhole

# Consultant Selection

- On June 14, 2022, IEUA received four (4) consultant proposals for Detailed Design
- All proposals were carefully reviewed by a committee review panel
- Qualifications Based Selection: Experience, project approach, and preparedness

Proposals Received
Stantec, Inc.
Albert A. Webb Associates
Michael Baker International
HDR, Inc.

# Project Budget and Schedule

Description	Estimated Cost
<b>Pre-Design</b>	<b>\$225,000</b>
Pre-Design Consultant (GHD Inc)	\$170,000
Pre-Design IEUA Labor	\$55,000
<b>Detailed Design</b>	<b>\$968,290</b>
IEUA Design Labor	\$280,000
<b>Design Consultant (this action)</b>	<b>\$688,290</b>
<b>Construction (Estimated)</b>	<b>\$7,190,000</b>
Engineering Services During Construction (Consultant)	\$140,000
IEUA Construction Management Labor	\$300,000
Construction Contractor	\$5,800,000
Contingency (15%)	\$950,000
<b>Total Project Cost:</b>	<b>\$8,383,290</b>
<b>Current Total TYCIP Budget:</b>	<b>\$8,440,000</b>

Project Milestones	Dates
<b>Detailed Design</b>	
Consultant Contract Award	August 2022
Design Completion	June 2023
<b>Construction (Estimated)</b>	
Advertise Construction Bid	June 2023
Construction Bid and Award	September 2023
Project Completion	December 2024

## Recommendations

- Award a consultant contract for the Montclair Force Main Improvement, Project No. EN21045, to Stantec Consulting Services Inc., for the not-to-exceed amount of \$688,290; and
- Authorize the General Manager to execute the contract, subject to non-substantive changes.

The Montclair Force Main Improvement Project is consistent with **IEUA's Business Goal of Wastewater Management**, specifically the Asset Management and Water Quality objectives that IEUA will ensure that systems are well maintained, upgraded to meet evolving requirements, sustainably managed, and can accommodate changes in regional water use to protect public health, the environment, and meet anticipated regulatory requirements.

ACTION  
ITEM  
2D



**Date:** August 17, 2022

*ADD*

**To:** The Honorable Board of Directors

**From:** Shivaji Deshmukh, General Manager

**Committee:** Engineering, Operations & Water Resources

08/10/22

**Staff Contact:** Kristine Day, Assistant General Manager

**Subject:** Sole Source Purchase for Continued RP-1 and RP-2 Distributed Control System Support

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**Executive Summary:**

The Foxboro Distributed Control System (DCS), manufactured by Schneider Electric, is critical to the operation of both RP-1 and RP-2. The DCS is used to automate, monitor, and control the two treatment facilities. The DCS at each plant provides automation of plant treatment processes, notification of alarm conditions, remote control for on-call Operations staff, and recording (historization) of process data, including data used to report to the National Pollution Discharge Elimination System (NPDES). The Foxboro DCS at both facilities has been in place since 1989 and is scheduled to be replaced or decommissioned by late 2025. The RP-1 Supervisory Control and Data Acquisition (SCADA) migration project will replace the Foxboro DCS with newer technology. The RP-5 Expansion project will result in the eventual decommissioning of RP-2 and the current Foxboro DCS. However, to continue operating these two DCS systems, the Agency will need to continue the technical support contract with the manufacturer until these systems have been decommissioned. This request is for a three-year sole source technical support contract in the amount of \$271,046.

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**Staff's Recommendation:**

1. Approve the sole source purchase for continued technical support services, Contract No. 4600002966-1, with Schneider Electric, for a three-year contract, for a not-to-exceed amount of \$271,046; and
2. Authorize the General Manager to execute the contract.

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**Budget Impact** *Budgeted (Y/N): Y Amendment (Y/N): Y Amount for Requested Approval: \$ 271,046*

*Account/Project Name:*

Regional Operations and Maintenance (RO), Professional Fees & Services

*Fiscal Impact (explain if not budgeted):*

**Prior Board Action:**

On October 21, 2020, the Board approved a two-year DCS Support Services Contract awarded to Schneider Electric, Contract No. 4600002966.

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**Environmental Determination:**

Not Applicable

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**Business Goal:**

The purchase for continued Foxboro DCS support is consistent with IEUA's Business Goal of Business Practices, specifically, Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes in maintain or improve the quality and value of the services we provide to our member agencies and the public.

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**Attachments:**

Attachment 1 - Power Point

Attachment 2 - Contract No. 4600002966-1



# Sole Source Purchase for Continued RP-1 and RP-2 Distributed Control System Support

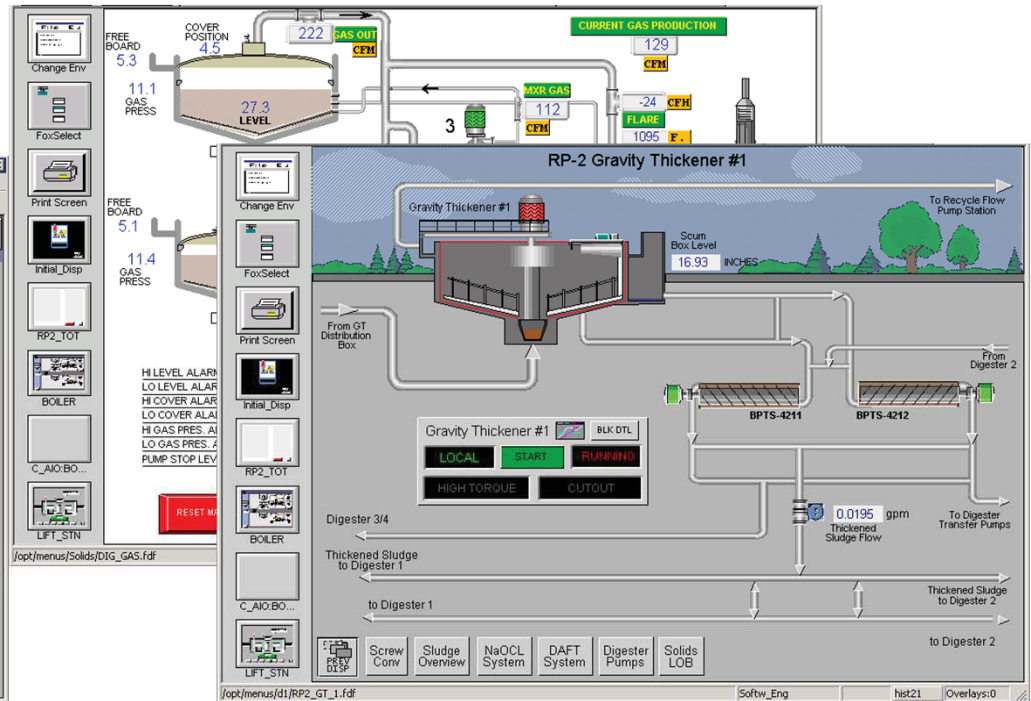
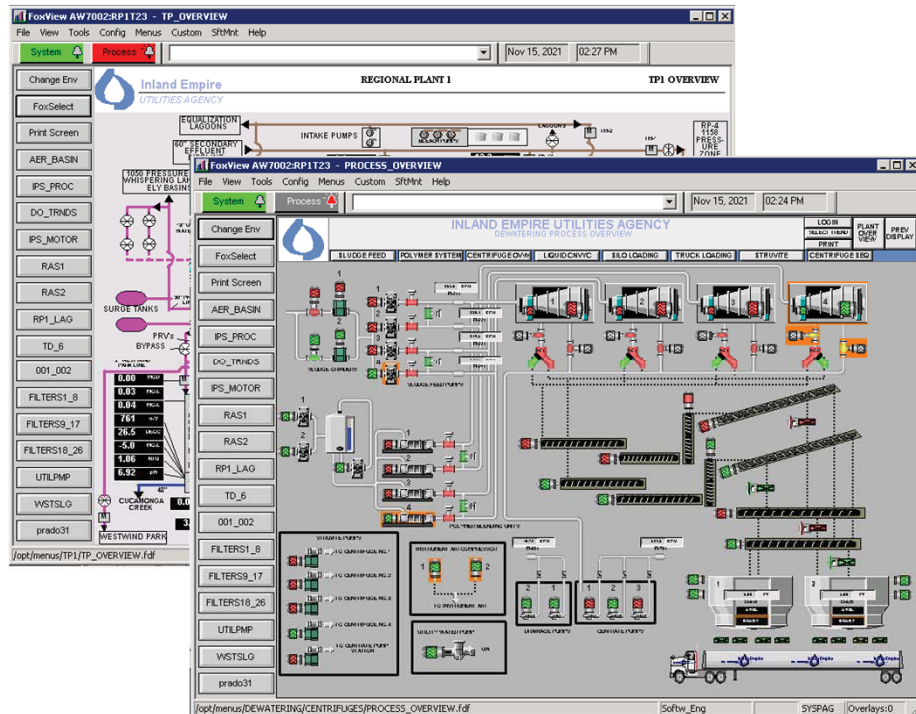
Don Hamlett

Director of Information Technology

August 2022

# Distributed Control System (DCS)

- DCS is computer system and software that monitors and automates treatment processes
- IEUA uses the DCS at RP-1 and RP-2 to provide alarm notification, remote control for on-call operators, and recording of process data reported to regulatory agencies





# RP-1 and RP-2 DCS Technical Support

RP-1



RP-2



# Recommendation

- Approve the sole source purchase for continued technical support services, Contract No. 4600002966-1, with Schneider Electric, for a three-year contract, for a not-to-exceed amount of \$271,046; and
- Authorize the General Manager to execute the contract.

The purchase for Foxboro DCS technical support is consistent with IEUA's **Business Goal of Business Practices**, specifically, Efficiency and Effectiveness objective that IEUA will apply best industry practices in all processes in maintain or improve the quality and value of the services we provide to our member agencies and the public.

Proposal to:

# Inland Empire Utilities

Chino, CA, USA

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## Customer FIRST Support and Services Proposal: Standard Level

### System: Foxboro Intelligent Automation

**ISSUED BY** : Schneider Electric Systems USA, Inc.  
**ISSUED DATE** : June 7, 2022  
**RFQ REF.** : OP-200708-9824059  
**PROPOSAL NO.** : QLK-2205-6195917-Rev.0A  
**VALIDITY DATE** : August 31, 2022

IEUA Reference 4600002966-1

#### SCHNEIDER ELECTRIC CONTACT:

Sr. Client Sales Executive (CSE)  
Name: Reid Hogue  
Mobile: 949-282-4648  
E-mail: reid.hogue@se.com

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EcoStruxure™ Foxboro DCS  
EcoStruxure™ Triconex Safety System  
EcoStruxure™ Process Analyzers and Instrumentation

Modicon products from Schneider Electric  
Square D products from Schneider Electric  
SCADA products from Schneider Electric

These are now fully incorporated and important products, services, and trademarks of the Schneider Electric EcoStruxure™ family.

***Please Submit Purchase Order and Tax-Exempt Certificate prior to the contract start date to:***

Schneider Electric Systems USA, Inc.  
10900 Equity Drive, Houston, Texas 77041  
Phone: 713-344-2562  
Fax: 949-639-1508  
E-mail: processautomation.us@se.com  
Website: www.schneider-electric.us.com

*Please ensure your Purchase Order includes the following information:*

- *Authorized signature and date.*
- *Ship To Address*
- *Invoice Address*

*The Schneider Electric **Proposal Number QLK-2205-6195917-Rev.0A** terms and conditions will govern and supersede – any terms provided by Purchaser.*

***Please Remit Payment to:***

Schneider Electric Systems USA, Inc.  
Wire:  
Bank of America, New York, New York 10001  
ABA 026009593 SWIFT BOFAUS3N Account 4426314169  
Checks:  
14526 Collections Center Drive  
Chicago, Illinois 60693

*Please ensure your payment includes the following information:*

- *Authorized signature and date.*
- *Ship To Address*
- *Invoice Number*

***Proprietary Disclaimer:***

*This proposal contains technical and business information that is confidential and proprietary to Schneider Electric. It is provided to the customer solely for internal review and evaluation. The information contained herein may not be shown or disclosed in any form to third parties without the express consent of Schneider Electric.*



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Confidential and Proprietary

Proposal No. : QLK-2205-6195917-  
Rev.0A  
Date : June 7, 2022

Tender Engineer : Tim Thomas

RFQ : OP-200708-9824059

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## 1. EXECUTIVE SUMMARY

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The Customer FIRST Support and Services Program offers a broad portfolio of resources designed to help ensure high levels of asset availability, utilization and reliability from Schneider Electric's EcoStruxure™ Foxboro DCS Systems. It will help you manage your systems throughout their productive lifecycles, and protect your property and intellectual investments, maximize asset performance while helping you reduce total cost of ownership.

Customer FIRST membership facilitates fast, efficient response to requests for material, labor and technical expertise with flexible options designed to provide you with a wealth of resources through the largest partner ecosystem in the industry. From training and planning, to project implementation, operation and lifecycle support, Schneider Electric and its network of partners are uniquely qualified to help you effectively utilize our applications, systems, services and solutions.

Schneider Electric's globally situated support and service teams are uniquely qualified to deliver the high-quality support and services that you require. Our support experts can provide fast and reliable support assistance, recommend risk mitigation strategies such as remote connectivity, automated back documentation, backup and restore services, and assist with maintenance tasks to help protect your Schneider Electric systems from the potential of catastrophic loss.

The Customer FIRST Program offers an array of options such as cost-control incentives, access to technical information specific to your operation, inventory management support and training opportunities for your personnel.

As technology inevitably continues to evolve, we can assist you with planning and implementation of system upgrades to ensure that you are getting the most from the latest technology with minimum disruption to your business operations.

Schneider Electric has earned a global reputation for support excellence with continuously improving levels of service and performance.

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## 2. PROPOSAL SCOPE

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The Customer FIRST Support and Services Program offers a broad scope of support features encompassing technical support, onsite corrective support, product lifecycle assessment, and more. Discounts on value-add services are offered, and the opportunity to establish funded reserves to help cover any billable labor, material, and training requirements that you anticipate encountering during the coverage timeframe of your Agreement.

Offered in the form of an annual or multi-year agreement that can be renewed for continued coverage, your Customer FIRST Support and Services Agreement serves as the foundation of a lasting service relationship that is predicated upon your success with using our technology.

### 2.1 CUSTOMER FIRST PROGRAM – INTRODUCTION

The Customer FIRST Support and Services Program will help you accomplish your short- and long-range objectives at the lowest possible cost. Program enrollment gives you the support services and resources you need to help increase asset availability, utilization and performance.

### 2.2 CUSTOMER FIRST PROGRAM – STANDARD LEVEL

Keep your EcoStruxure™ Foxboro DCS System working reliably and efficiently with the Customer FIRST Standard program level. Maximize your investment in Schneider Electric products with access to our technical support engineers during normal business hours, en route response commitment for hands-on corrective support, and the latest software versions and maintenance releases. If applicable to covered equipment, scheduled preventive maintenance visits will be arranged. Flexible payment options are available for purchase of labor-based services, training, and material-based services including the Advantage Discount Program for hardware upgrades.

### 3. CUSTOMER FIRST FEATURES SUMMARY

#### 3.1 CUSTOMER FIRST PROGRAM – FOXBORO FEATURES SUMMARY

Customer FIRST Support and Services program features are summarized below.



Included Services	Standard
<b>Core Support and Services</b>	
Technical Support Access	NBH
Global Customer Support Website Access	Y
EcoStruxure™ Facility Expert Mobile App	Y
Preventive Maintenance Site Visits (per year)	1
En route Response Commitment for Billable Onsite Corrective Assistance*	NBD
Software Maintenance Releases, Service Packs, Patches and Updates	Y
Lifecycle Assessment and Upgrade Planning Roadmap	Y
Support Usage and Summary Report	Y
Module Reserve Program	Y
Software Version Upgrades and Revisions**	Y
<b>Services and Material Discounts</b>	
Advantage Discount Program	50%
Site Support Services	10%
Digital Learning Services***	12%
Classic Learning Services***	10%
MRP Parts	43%
Consulting Services	10%

Spares	10%
Optional Services	Standard
System Advisor	Y

NBH = Normal Business Hours

NBD = Next Business Day\* where available

\* where available

\*\* excludes labor and hardware, additional conditions apply.

\*\*\* All discounts on current List Price only. Certification courses not included.

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## 4. AGREEMENT CONTENT

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### 4.1 CUSTOMER FIRST PROGRAM – FEATURE DESCRIPTIONS

Customer FIRST Support and Services program features are described below.

#### 4.1.1 Standard Level – Included Services

##### 4.1.1.1 Core Support and Services

###### **Technical Support Access**

Schneider Electric provides expert technical assistance and application support during normal business hours via regional support centers and locally based service engineers. Each request is processed through a defined multi-level response model that assures skilled and timely attention appropriate to the urgency and complexity of the reported situation. Reported situations are assessed by support analysts according to the impact on the customer's production, safety or environment.

Standard level: Normal business hours

*Note: Emergency support rendered outside of normal business hours is billable; provision of a purchase order or credit card number is required within one business day of initiating your request.*

###### **Global Customer Support Website Access**

Schneider Electric makes available its extensive knowledgebase of technical user documentation, issue solutions, and software via the Customer Support website. The registration profile allows the website user to refine their access to only the product content of interest.

Schneider Electric web tools provide online support case management. Customer personnel may submit service requests. A tracking number will be issued to the submitter, who may review case status and upload additional information as appropriate.

In addition, website-registrants will receive pro-actively issued communications of three types:

- Advisories that describe identified technical product problems and provide a solution
- Notifications pertaining to lifecycle management topics such as hardware and software release notifications, and service program changes
- New product announcements

**EcoStruxure™ Facility Expert Mobile App**

Our EcoStruxure™ Facility Expert Digital Logbook app helps you utilize and realize value from your support agreement with digital access to reports and maintenance plan.

The digital logbook is an easy-to-use collaborative tool that keeps record of important documentation and maintenance schedules. The Digital Logbook allows you to eliminate paperwork, outdated files, conflicting data and unclear roles; and there are no more hold-ups because you can't get your hands on the information you need when you need it.

Improving your operational performance by:

- Accurate planning of preventive maintenance schedule.
- Greater visibility of the onsite work done.
- Details of activities undertaken during a given period.
- Access to all your reports and documentations pertaining to your CFA:
  - CFA Contract Agreement
  - Contract Management Review Reports
  - Filed Services Reports (FSR)
  - Preventative maintenance (PM)
  - RoadMap Reports

**Preventive Maintenance site visits per year**

The Customer FIRST Support and Services Agreement provides you with a number of Preventive Maintenance (PM) visits each year based on your selected program level. The general scope of work includes physical inspection of equipment, review of software maintenance releases and fixes, technical advisories, product alert notices and status of open cases. The service engineer will perform analysis of system conditions (counters, loading, etc.) to help ensure the system is operating within defined specifications. They will perform corrective actions that are within the scope of the PM visit, and schedule follow-up maintenance for additional issues if necessary. Schneider Electric will help you determine the appropriate length of the PM visit per site.

Once per year, or more frequently if EcoStruxure™ DCS Advisor Services V4.0 (or higher) is enabled, Schneider Electric will collect system configuration data via use of a tool known as FERRET. This data will be used for the following purposes:

- It will be analyzed as a proactive aid in helping to identify any potential need for corrective or preventive activity.
- It will be used to develop your annual Lifecycle Assessment Report and Upgrade Planning Roadmap.
- It is available for System Asset Viewer application use.
- The data files will be stored in the Global Support Center's (GSC) Installed Base Repository.

These Customer FIRST features are described in this proposal.

**Notes:**

- 1) *The delivery schedule and timing of PM visits will be determined in consultation with the customer.*
- 2) *Customer should review the full scope of work with the Service Engineer prior to their arrival at site.*
- 3) *The Preventive Maintenance Site Visit includes (if installed) DCS Advisor Server maintenance support.*
- 4) *The Preventive Maintenance Site Visit does not include:*
  - a) *Installation of version licenses, revision releases and maintenance releases, or any startup activities.*
  - b) *Activities associated with the optional DCS Advisor Services: Remote Backup Service, Netsight Console, DCS Advisor Server with Data Diode, Patch Deployment to DCS Advisor Server.*

These activities, and others that fall outside of PM scope of work, require the scheduling of a separate site visit for which the labor terms of this agreement will apply.

Standard level: One (1) Preventive Maintenance site visit per year

### **En Route Response Commitment for Onsite Corrective Assistance**

Schneider Electric solutions are reliably supported by our technical support engineers/consultants in collaboration with you via voice and electronic communication methods. If remote connection directly to your EcoStruxure™ Foxboro DCS is applicable, with proper approvals, this approach may be engaged to help facilitate matters.

If we are unable to resolve your support case via remote methods, Schneider will provide hands-on corrective assistance. These activities may include system troubleshooting, defective hardware replacement, and software restoration<sup>3</sup> or correction due to data corruption or necessity.

While this type of support is typically time sensitive in nature, actual en route response time commitment will be determined by the Customer FIRST support level, situation urgency and availability of regional resources. Arrival time at site is dependent on transportation contingencies beyond Schneider Electric's control.

**Notes:**

- 1) *Activities that are not covered by Onsite Corrective Assistance include application work, block configuration, display creation, historian creation, software installation, manual installation activity associated with "Patch Deployment to EcoStruxure™ DCS Advisor Server", preventative maintenance work, startup support and upgrade labor.*
- 2) *Labor and materials, travel and living expenses are billable unless otherwise defined in the Agreement terms. Billable labor hours include travel time, time spent obtaining plant*



*access, time spent onsite and offsite performing evaluations and preparing documentation necessary for the assigned tasks.*

- 3) *Software restoration may be accomplished using install discs or via download. If the customer's data is corrupt, there may be no recourse, in some cases, to restore corrupted user data.*

This Customer FIRST Support and Services Agreement includes:

*Standard level: Next Business Day (NBD) En Route Response Commitment for Corrective Assistance*

### **Software Maintenance Releases, Service Packs, Patches and Updates**

With the Customer FIRST Support and Service program, Schneider Electric provides maintenance releases and fixes for covered software related to your application that is released during the contract period.

Maintenance releases provide corrections to software defects within a software revision level. Media will be made available upon release, in electronic or physical format as appropriate, during the program's coverage timeframe. Schneider Electric makes no guarantee that maintenance releases will become available during the agreement period.

Installation labor for version licenses, revision releases, maintenance releases, service packs, patches and updates, and startup activities is not included in this program feature. These activities require the scheduling of a separate site visit for which the labor terms of this Agreement apply.

### **Lifecycle Assessment and Upgrade Planning Roadmap**

Schneider Electric understands that you have a need and a responsibility to maintain system equipment and software applications as critical parts of your business. The Lifecycle Assessment and Upgrade Planning Roadmap report provides a top-level view of the current lifecycle status of the products in use at your site and outlines key business objectives related to their maintenance and supportability.

Schneider Electric will collect system configuration data either remotely or during a site visit. The data files are stored in the Global Customer Support (GCS) Installed Base Repository and will be used to develop the Lifecycle Assessment and Upgrade Planning report. The report will be reviewed with you during the annual Customer FIRST Program renewal process.

The components of your system and applications will be assessed, as appropriate, for potential upgrade to preferred (current) phase products. This collaborative activity between customer staff and Schneider Electric focuses on identifying a logical progression for the potential upgrade of your equipment, software and files, and potentially, third party products.

The Lifecycle Assessment and Upgrade Roadmap will help facilitate effective; short- and long-term upgrade planning decisions. It will be updated annually and may be used as the foundation for the optional Modernization and Migration Planning service.

## Support Usage and Summary Report

The Support Usage and Summary Report highlights all technical support case activity, labor-based site visits and material exchange activity logged by Schneider Electric's service management system.

## Module Reserve Program (MRP)

Schneider Electric provides fast, cost-effective access to its materials inventory when rapid replacement of malfunctioning equipment is necessary. If you encounter an issue with a component, you may arrange for exchange of the malfunctioning unit with another unit. Schneider Electric will provide an authorization number and shipping instructions. The replacement material generally ships within one business day following receipt of the malfunctioning equipment at Schneider Electric's designated address.

Product provided under the Module Reserve Program is billable. Pricing for the replacement unit is contingent on Schneider Electric's subsequent determination that the returned unit meets Module Reserve Program Policy qualifications.

*Note: The price of equipment provided from Module Reserve Program inventory may be applied to the Flexible Material Fund or MRP-Material Cost-Inclusive feature, if appropriate under the terms of your Customer FIRST Agreement.*

## Software Version Upgrades and Revisions

Schneider Electric has established clear and predictable product support timelines to enable customers to plan product upgrades in advance of reaching obsolescence. This proactive approach provides a comprehensive view of product lifecycle phases, phase transition timing, and available support during each phase.



Schneider Electric provides Software Version Upgrade and Revision releases with the Customer FIRST Support and Services program.

The Version release is the most significant software upgrade. It generally contains major new features and enhancements. The Revision release generally contains both software correction and minor enhancements.

License(s) and upgrade media will be made available upon release, in electronic or physical format as appropriate, during the program coverage timeframe. Schneider Electric makes no guarantee that version and revision releases will become available during the agreement period.

Software Version entitlement is offered for the same product, excluding platform change. A platform change occurs when the underlying software framework and environment has been changed to a dissimilar offering permitting new application software to operate and run. (e.g., FoxView to Control HMI or Aim\* Historian to the Wonderware Historian). This benefit provides you with the ability to upgrade and keep covered Foxboro software continuously current at the Preferred (i.e., most current) lifecycle phase.

Version Upgrade Eligibility:

- Installed Software must be at the current version (Preferred lifecycle phase) to be eligible for version entitlements. Software that was in the Preferred lifecycle phase when the client's first Customer FIRST agreement was executed is eligible for version entitlement. When these criteria have been met, entitlement to software versions of Foxboro software begins and will continue for as long as an active Customer FIRST agreement (with Software Version and Revision entitlement) is maintained with no lapse in support coverage.
- The [Components and Software List](#) provided in this proposal will identify Schneider Electric software eligible for version upgrade.

Revision Upgrade Eligibility:

- For customers enrolled in the Customer FIRST Program, eligibility for revision entitlement will continue for as long as an active Customer FIRST agreement (Standard, Premium or Elite levels) is maintained with no lapse in support coverage.

Notes:

- 1) *Installation labor for version licenses, revision releases, maintenance releases, service packs, patches and updates, and startup activities is not included in this program feature. These activities require the scheduling of a separate site visit for which the labor terms of this Agreement apply.*
- 2) *Upgrades to third-party operating system (OS) software, application software, and anti-virus software may be required to support new Schneider Electric system and application version and revision releases. These are not part of the Software Version Upgrades and Revisions element of the Customer FIRST program.*
- 3) *New hardware may be required to support new Foxboro systems and application version and revision releases. An incentive program may be offered as appropriate to support such requirements. (Refer to Modernization Program.)*
- 4) *System shutdown may be required to support hardware and software version and revision releases.*
- 5) *A platform change occurs when the underlying software framework and environment has been changed to a dissimilar offering permitting new application software to operate and run. (e.g., FoxView to Control HMI or Aim\* Historian to the Wonderware Historian)*

#### 4.1.1.2 Services and Material Discounts

##### **Advantage Discount Program**

Schneider Electric's careful attention to backward compatibility and serviceability enables our customers to preserve intellectual property and save significant downtime as they modernize. The Advantage Discount Program enables EcoStruxure™ Foxboro DCS System customers to cost-effectively modernize aging equipment with innovative and productivity enhancing technologies.

Schneider Electric offers a significant incentive for modernizing system hardware and software to Preferred (current) lifecycle products, in exchange for the return of older equipment to Schneider Electric. The Advantage Discount Program is a global discount policy offering a 25% discount from global list price to loyal existing customers. Customer FIRST Support and Services Agreement customers receive an additional 25% discount, bringing the total Advantage Discount Program discount to 50% off the global list price of eligible parts.

The Advantage Discount Program applies to the upgrading of equipment in the lifecycle categories of Available, Mature, Lifetime, and Obsolete with products in the Preferred product lifecycle. Discounts applies to Preferred lifecycle product purchases only.

In general, Advantage Discount Program applies to product manufactured by Schneider Electric factories. Third party buyout equipment is generally not eligible for the Advantage Discount Program.

The returned equipment must be the functional equivalent of the equipment being modernized. Products returned must be in refurbishable condition. Contaminated, damaged, non-repairable or obviously broken material will not be accepted in trade. Additionally, equipment must be return to a Schneider Electric-designated location within 3 months of shipment of the new equipment.

Standard level: Advantage Discount Program offers 50% off the global list price.

##### **Site Support Services**

A discount on the current Schneider Electric labor rate at time of service is provided on labor hours dedicated to Site Support Services.

Site Support Services utilize the talents of Schneider Electric Service Engineers to supplement your site resources with simple day to day activities or to help solve more complex engineering issues. Schneider Electric will help you define the scope of work to meet your specific requirements.

Standard level: 10% discount on labor rate for Site Support Services

##### **Classic Learning Services**

Classic training or Classroom Instructor Led Training (CILT) is conducted in-person at Process Automation training centers worldwide or at your site. Classic training is comprehensive and immersive training that is typically delivered in a traditional classroom setting and is recommended

for advanced maintenance, troubleshooting, and configuration skills required by experienced technical staff.

Courses in our Classroom Instructor-Led Training (CILT) portfolio require time away from work and may need off-site travel. Expert-level Instructors conduct classroom training over 2 to 5 days, during which learners practice skills on physical hardware and virtual machines. Designed as primarily hands-on, CILT courses replicate realistic scenarios that experienced technical employees are expected to encounter on the job.

The Customer FIRST Program provides you with access to discounts on Learning Services when purchased in conjunction with your support and services agreement. A discount on the current listed course prices (on [PALS \(se.com\)](#)) is provided for standard courses attended at Process Automation training centers only. The list prices cover one participant attending one course as published in our training calendars. On-site delivery of standard courses is also included however any modifications of standard course topics will be considered as a customized training request.

Standard level: Classic Learning Services offers 10% off the global list price.

### **Digital Learning Services**

Digital learning includes e-learning or Web Based Training (WBT), Virtual Instructor Led Training (VILT) and Virtual Coaching. All services are delivered at the learner's location, do not require travel and minimal time away from work.

E-learning or Web-Based Training (WBT) courses provide 30 to 90-minute interactive technology training specially designed for newly hired technical staff. Content covers conceptual and application training on process control and safety topics. Participants complete training at their own pace online. Pre-recorded demonstrations and try-it simulations enable participants to practice the application of acquired knowledge as often as they need. Courses are modular and can be combined to create learning paths or grouped by topics (Collections) as required for individual development.

In VILT classes, a subject matter expert, the Instructor, facilitates learning using interactive tools to engage learners, and transfer, reinforce, and retain knowledge and skills. Content covers focused tasks requiring application of specific process control skills and product knowledge. Modelled to blend work time with training time, courses are delivered in 1 to 4 sessions, 3 to 4 hours a day. Participants complete 1 to 3 hours of lab practice, outside of session times, using virtual machines on the Process Automation Learning Cloud. Courses are designed to instill key skills in a short amount of time. The Facilitator and peer participants share best practices during sessions.

Virtual classes are an excellent solution for technical staff experienced in process automation configuration, implementation, and maintenance.

To support learners beyond formal training, we offer Virtual coaching services. Our coaching system and processes are designed to augment our blended learning programs and are a vital tool to support the continuous development of employees. Our Coaches deliver learning support virtually for the development of remotely located staff.

The Customer FIRST Program provides you with access to discounts on Learning Services when purchased in conjunction with your support and services agreement. A discount on the current listed course prices (on [PALS \(se.com\)](#)) is provided for registrations to scheduled VILT courses published on our training calendars or to any of our e-learning courses or Collections. The list prices cover one participant attending a single course. Similarly, a discount on the current Process Automation Virtual Coaching rates is applied on coaching hours delivered remotely.

Standard level: Digital Learning Services offers 12% off the global list price.

### **Module Reserve Program (MRP) Parts**

The price of unit supplied to the customer will qualify for a discount contingent on material returned to Schneider Electric meeting Module Reserve Program qualifications.

Note: Not applicable to consumable products

Standard level: 43% discount on list price. Landed costs (duties, fees, etc.) may apply.

### **Consulting Services**

Consulting Services allow you to leverage skilled Schneider Electric resources that can help optimize the performance of your existing assets, conduct routine performance assessments and assist with new product deployment. The Customer FIRST Program provides you with access to discounts on Consulting Services when purchased in conjunction with your support and services agreement.

Whether you are planning a new project and need help architecting a solution or want recommendations to optimize the performance of your existing application for a single-site project or a global, enterprise-wide engagement, we will help you make arrangements with the appropriate resources within the Schneider Electric organization. Consulting Services combine best-in-class software technologies with in-depth process, plant and IT expertise.

Standard level: 10% discount on list price

### **Spares**

The Customer FIRST Support and Services Agreement enables you to better manage and control the cost of equipment by providing a discount on the purchase of new material that will be stored as spare inventory at your site.

Standard level: 10% discount on list price



### 4.1.2 Standard Level – Optional Services

#### **EcoStruxure™ System Advisor for Process Control**

EcoStruxure™ System Advisor for Process Control is a comprehensive documentation and system management tool designed for the Foxboro Distributed Control System, with the following capabilities:

- Proactively manage changes made to the DCS system with complete Change Tracking monitoring, User alerts to changes that have been made and a complete MOC (Management Of Change) workflow process to document these changes.
- Maintain the integrity of the entire system.
- Monitor dynamic data such as Alarms, Sequence Of Events (SOEs) and Operator Actions so they can be analyzed and incorporated into plant root cause analysis procedures to improve the process performance and safety.
- Quick and accurate access to configuration documentation to resolve problems.
- Manage the Alarm System properly to maintain compliance with standards like EEMUA, ASM and ISA- 18.2.
- Manage system resources such as I/O and Historian availability.
- Monitor system health proactively to help ensure that the system is performing properly. This includes monitoring the MESH network for network related issues.

*Note: EcoStruxure™ System Advisor does not include hardware and installation. Installation requires the scheduling of a separate site visit for which the labor terms of this agreement will apply.*

## 5. COMPONENTS AND SOFTWARE COVERED

### 5.1 SYSTEM – COMPONENTS COVERED

The following system components and software are covered under the terms and conditions of this Customer FIRST Support and Services Agreement and the Lifecycle Support Policy. Components and software not listed are not covered by this Agreement.

Item	Qty	Product	Short Description	Current Lifecycle phase	Obsolete Date	Previous Contract Entitlement to SW Version Upgrade (Yes/No)
			<b>RP1</b>			
10.00	4	P0972AJ	FBI10E Fieldbus Isolator For 10 MB Ethernet	LifeTime		
20.00	4	P0972VA	Address Translation Station;Mesh/Nodebus Connect	Available		
30.00	8	P0917YZ	FCP270 Control Processor	Mature		
40.00	6	P0961FR	Control Processor 60 (CP60) Module	Obsolete	12/31/2021	
50.00	3	J0200NX	CP60 2500 Value Point NonFT SW Lic	Obsolete	12/1/2021	No
60.00	4	P0916CP	FCM10EF 2KM Fieldbus Communication Module	LifeTime		
70.00	4	P0926DJ	DCM10E DIN Fieldbus Converter	LifeTime		
80.00	2	P0926DP	DCM10EF DIN FO Fieldbus Converter (Fiber Optic)	LifeTime		
90.00	20	P0926GX	FBM233, 10/100 Mbps Ethernet, Redundant	Available		
100.00	5	CM400YH	FBM07 Contact/dc Input	LifeTime		
110.00	1	CM400YK	FBM09 Contact/dc Input/Output	LifeTime		
120.00	6	CM400YN	FBM12 Contact/dc Input Expander	LifeTime		
130.00	5	CM400YP	FBM13 120 Vac Input Expander	LifeTime		
140.00	1	CM400YQ	FBM14 Contact/dc Input/Output Expander	LifeTime		
150.00	12	CM400YR	FBM15 120 Vac I/O Expander	LifeTime		
160.00	15	DM400YJ	FBM08 120 Vac Input	LifeTime		
170.00	25	DM400YL	FBM10 120 Vac Input/Output	LifeTime		
180.00	26	P0400DA	FBM01 0-20 mA Input	LifeTime		
190.00	35	P0400YE	FBM04 0-20 mA Input/Output	LifeTime		
200.00	3	P0400YH	FBM07 CONTACT/DC INPUT	LifeTime		
210.00	4	P0400YL	FBM10 120 Vac I/O	LifeTime		
220.00	11	P0914SQ	FBM201 Channel Isolated 8 Input 0-20 mA	Preferred		



230.00	35	P0914TD	FBM207 Channel Isolated 16 DIN Voltage Monitor	Preferred		
240.00	7	P0914XS	FBM237 Channel Isolated 8 Output 0-20 mA	Preferred		
250.00	10	P0916TA	FBM242 Channel Isolated External Source DO	Preferred		
260.00	3	P0917HB	FBM221 4 Port, H1 FOUNDATION Fieldbus Module	Obsolete	12/15/2021	
270.00	4	K0201BM	Media: Allen Bradley EtherNet/IP Driver for FDSI	Available		Yes
280.00	1	Q0302BT	Custom Allen-Bradley CSP FDSI Driver	Preferred		Yes
290.00	1	P0903CV	Annunciator Keyboard	LifeTime		
300.00	1	P0904AK	50 Series GCIO Interface w/o TS (EC96)	Obsolete	12/15/2021	
310.00	1	J0201LA	Foxboro DCS Control License, 100 Analog IO	Preferred		Yes
320.00	1	J0201LC	Foxboro DCS Control License, 100 Discrete IO	Preferred		Yes
330.00	1	S61C10002000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
340.00	1	S61C10002000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
350.00	1	S61C11932000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
360.00	1	S61C11511000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
370.00	1	S61C21311000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
380.00	1	S61C11931000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
390.00	1	S61C11512000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
400.00	1	S61C21312000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
410.00	1	Q0301AT	AIM*Historian SW Lic (5000 Points)	Available		Yes
420.00	1	Q0301RA	I/A Series Report Package	Obsolete	2/15/2022	No
430.00	1	Q0301VG	AIM*Inform SW Lic - Qty 1	Available		No
440.00	1	Q0301YB	AIM*OLE DB Provider License - 1 User	Mature		Yes
450.00	2	RH102AD	X440G2-24x-10GE4 50C 24-SFP managed switch	Preferred		
460.00	8	RH102AN	x440G2-24fx-GE4 (24-Port Fiber managed switch)	Preferred		
470.00	3	H90QNSE044N0	Workstation Server Model H90 for Windows	Preferred		
480.00	1	FX-ADD-EXCEED-V152	Foxboro DCS Lic. Compatibility Kit for Exceed	Preferred		Yes
490.00	1	RH103FN	HP t740 Quad Video Thin Client Dual NIC	Preferred		
500.00	1	Q0301JH	FoxPage for Windows Software	Obsolete	4/1/2019	No
510.00	1	Q0301RA	I/A Series Report Package	Obsolete	2/15/2022	No
520.00	3	FX-SRV-FRWR-V1	DCS FVHMI Term Srv Seat (Read/Write)	Preferred		Yes
530.00	1	FX-EW-FICC-V1	DCS Local Engineering Seat (FVHMI/IACC or ICC)	Preferred		Yes
540.00	15	FX-OW-FRWR-V1	DCS Remote FVHMI Operator Seat (ReadWrite)	Preferred		Yes

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Tender Engineer : Tim Thomas

Rev.0A

Date : June 7, 2022

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			<b>RP2</b>			
570.00	1	RH102AN	x440G2-24fx-GE4 (24-Port Fiber managed switch)	Preferred		
580.00	2	P0917YZ	FCP270 Control Processor	Mature		
590.00	2	P0926GX	FBM233, 10/100 Mbps Ethernet, Redundant	Available		
600.00	5	CM400YP	FBM13 120 Vac Input Expander	LifeTime		
610.00	8	CM400YR	FBM15 120 Vac I/O Expander	LifeTime		
620.00	11	DM400YJ	FBM08 120 Vac Input	LifeTime		
630.00	7	DM400YL	FBM10 120 Vac Input/Output	LifeTime		
640.00	10	P0400DA	FBM01 0-20 mA Input	LifeTime		
650.00	11	P0400YE	FBM04 0-20 mA Input/Output	LifeTime		
660.00	11	P0400YJ	FBM08 120 Vac Input	LifeTime		
670.00	2	P0914SQ	FBM201 Channel Isolated 8 Input 0-20 mA	Preferred		
680.00	1	P0914SY	FBM204 4 Channel 0-20 In + 4 Channel 0-20 Out	Preferred		
690.00	3	P0914TG	FBM241 Ch Isolated Vmon DI + External Source DO	Preferred		
700.00	1	P0916TA	FBM242 Channel Isolated External Source DO	Preferred		
710.00	1	Q0302BT	Custom Allen-Bradley CSP FDSI Driver	Preferred		Yes
720.00	1	J0201LA	Foxboro DCS Control License, 100 Analog IO	Preferred		Yes
710.00	1	J0201LC	Foxboro DCS Control License, 100 Discrete IO	Preferred		Yes
720.00	1	S61C31821000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
730.00	1	S61C31822000	I/A Series Function Block SW Lic (Certificate)	Available		Yes
740.00	1	Q0301AS	AIM*Historian SW Lic (2000 Points)	Available		Yes
750.00	1	Q0301VG	AIM*Inform SW Lic - Qty 1	Available		No
760.00	1	Q0301YB	AIM*OLE DB Provider License - 1 User	Mature		Yes
770.00	1	H90QNSE044N0	Workstation Server Model H90 for Windows	Preferred		
780.00	1	FX-ADD-EXCEED-V152	Foxboro DCS Lic. Compatibility Kit for Exceed	Preferred		Yes
790.00	1	H92A0KCQ0H00	Model H92 Workstation For Windows	Preferred		
800.00	1	Q0301JH	FoxPage for Windows Software	Obsolete	4/1/2019	No
810.00	1	Q0301RA	I/A Series Report Package	Obsolete	2/15/2022	No
820.00	1	FX-SRV-FRWR-V1	DCS FVHMI Term Srv Seat (Read/Write)	Preferred		Yes
830.00	1	FX-EW-FICC-V1	DCS Local Engineering Seat (FVHMI/IACC or ICC)	Preferred		Yes
840.00	5	FX-OW-FRWR-V1	DCS Remote FVHMI Operator Seat (Read/Write)	Preferred		Yes
850.00	1	FX-OW-FRWL-V1	DCS Local FVHMI Operator Seat (Read/Write)	Preferred		Yes

**Equipment in the Obsolete Phase cannot be supported by the Module Exchange/Reserve Program.**

## 6. CONTACT INFORMATION

### 6.1 CUSTOMER CONTACT INFORMATION

Customer shall provide the following information to Schneider Electric.

#### 6.1.1 Customer Addresses

Customer shall provide the following addresses to Schneider Electric.

Site Name:	Inland Empire Utilities
Billing Address	6905 Kimball Avenue, Chino, California 91708-9136
Shipping Address	6905 Kimball Avenue, Chino, California 91708-9136
End User Address	6905 Kimball Avenue, Chino, California 91708-9136
Sold To Address	6905 Kimball Avenue, Chino, California 91708-9136

#### 6.1.2 Purchasing & Accounts Payable Contacts

Customer shall provide contact information for purchasing and accounts payable to Schneider Electric.

NO.	CONTACT NAME	RESPONSIBILITY	CONTACT INFORMATION
1			Tel: Fax: Email:

### 6.1.3 Site Identification

This Customer FIRST Support and Services Agreement covers the identified system(s) located at the following site(s).

1.	Site Name and Location	Inland Empire Utilities	Chino, California
2.	System(s)	Foxboro DCS I/A System	
3.	Other identifying detail		

### 6.1.4 Site Operations Contacts

Customer shall provide personnel names and contact information for the individuals that Schneider Electric may contact for support purposes.

NO	CONTACT NAME	RESPONSIBILITY	CONTACT INFORMATION
1	Alan Meyers	Process Automation Control Supervisor	Tel: 909-993-1848 Fax: 909-993-1988 Email: ameyers@ieua.org
2			Tel: Email:
3			Tel: Email:

### 6.1.5 Material Return Instructions and Contact Information

It is essential to confirm the correct address, instructions, and authorization for material return claims and Modernization claims prior to shipping a package to Schneider Electric.

For all material returns and exchanges, contact Schneider Electric via the contact points listed above or one of the Schneider Electric offices listed below to request a Return Material Authorization (RMA) number and the correct shipping address to which to return the material.

*Note: Check the Office Locator (<http://www.buyautomation.com/OfficeLocator/>) for current contact information, as the information listed below will change over time.*

CUSTOMER SITE LOCATION	SCHNEIDER ELECTRIC ADDRESS	CONTACT INFORMATION
USA:  <i>NOTE: Always contact the telephone numbers provided here to request Return Material Authorization Number (RMA#) and shipping instructions prior to shipping unit.</i>	Schneider Electric Systems USA, Inc. Dept. 910 Field Service Receiving 15 Pond Street Foxboro, MA 02035 USA  Schneider Electric Systems, USA, Inc. 26561 Rancho Parkway South Lake Forest, CA 92630 USA	USA toll free: Telephone: +1 866 746 6477  Worldwide support: Telephone: +1 508 549 2424 Fax: +1 508 549 4999 Email: <a href="mailto:systems.support@schneider-electric.com">systems.support@schneider-electric.com</a>

## 7. SELECTION AND PRICING SUMMARY

### 7.1 PROPOSAL ACCEPTANCE

This Proposal is valid until August 31, 2022.

### 7.2 SELECTION SUMMARY

The Customer FIRST Program's Support and Services Agreement provides a comprehensive portfolio of support and service features that addresses your short term and long-term maintenance and lifecycle challenges. Refer to the Agreement Content section of this Agreement for a summary matrix and description of program level features.

The following information covers pricing for the proposed Customer FIRST Support and Services program.

#### Included Services

The "Included Services" are covered by the selected Customer FIRST Program level's price before Optional Features are added. Refer to the Agreement Content section of this Agreement for a summary matrix and description of program features.

SELECTION SUMMARY STANDARD LEVEL	Year 1	Year 2	Year 3
Included Features I/A System:	\$79,934.00	\$82,334.00	\$84,802.00
Optional Feature-System Advisor	\$7,992.00	\$7,992	\$7,992.00
Total	\$87,926.00	\$90,326.00	\$92,794.00

### 7.3 BILLING SCHEDULE

This Customer FIRST Support and Services Agreement is:

- ☐ New
- ☒ A renewal of a prior Agreement
- ☐ An Amendment to a current Agreement

The billing cycle is:

- ☐ Annual
- ☒ Quarterly
- ☐ Other (describe)

### 7.4 PAYMENT SCHEDULE


PAYMENT SCHEDULE	ANNUAL PAYMENT TOTAL	PERIOD PAYMENT	PERIOD LENGTH	START DATE	END DATE
Year 1	\$87,926.00	\$21,981.50	Quarterly	8/14/2022	8/13/2023
Year 2	\$90,326.00	\$22,581.50	Quarterly	8/14/2023	8/13/2024
Year 3	\$92,794.00	\$23,198.50	Quarterly	8/14/2024	8/13/2025
Total	\$271,046.00				

Payment is due 30 days from date of invoice.

## 8. AGREEMENT ACCEPTANCE

Execution of this Agreement represents acceptance into the Customer FIRST program and its terms and conditions.

PURCHASER	
Client (Company) Name	
Address	
City/State/Zip	
Country	
Authorized Purchaser Representative (signature)	
Authorized Purchaser Representative (print name)	
Title	
Date	

SCHNEIDER ELECTRIC	
Schneider Electric Local Entity Name	Schneider Electric Systems USA, Inc.
Acceptance By (signature)	
Acceptance By (print name)	Erica Sylvester
Title	Project Controls Manager
Date	7/6/2022



## 9. POLICIES AND GUIDELINES FOR SPECIFIC CUSTOMER FIRST FEATURES

### 9.1 SUPPORT HOURS AND RATES

Customer FIRST Support and Services shall be performed during the normal workday as defined by local practice or labor law, or as defined in this Agreement. Support, services, and travel hours in excess of the normal workday may be billable, subject to the specified Customer FIRST Program level, labor terms and provisions of this Agreement.

NO.	TITLE	DESCRIPTION
1	NORMAL WORKDAY HOURS	<p>Normal workday hours: 8:00AM to <u>5:00</u> PM Normal work week: <u>Monday thru Friday</u> Time zone: <u>Eastern</u></p> <p><input checked="" type="checkbox"/> Schneider Electric-designated holidays will be observed. <input type="checkbox"/> National, provincial, local holidays will be observed. <input type="checkbox"/> Other (describe):</p>
2	TRAVEL HOURS	<p>Travel hours shall accrue from the point of origin and cover time traveling to and returning from the job site.</p> <p>The point of origin shall be: <input checked="" type="checkbox"/> Home base of the Schneider Electric engineer performing the work <input type="checkbox"/> Other (describe):</p> <p>The following detail will apply as determined appropriate by Schneider Electric and Customer. Travel hours will be billed for: <input checked="" type="checkbox"/> Actual time incurred</p>
3	SERVICE RATES	<p><input checked="" type="checkbox"/> Service Rates are defined in local Service Rate Schedule</p>

## 9.2 LIFECYCLE SUPPORT POLICY

Schneider Electric has established clear and predictable product support timelines to enable customers to plan product upgrades in advance of reaching obsolescence. This proactive approach provides a comprehensive view of product lifecycle phases, phase transition timing, and available support during each phase.

Information about the products currently supported in each lifecycle phase is posted on the respective Schneider Electric brand support websites, and we provide periodic notification of all product transitions from one lifecycle phase to the next.

The Lifecycle Support Policy provides consistent and predictable guidelines for product support, compatibility, availability and repair. The policy establishes clear and predictable product support timelines to assist customers with managing end of life issues related to their installed Electric system equipment. This proactive approach provides a comprehensive view of product lifecycle phases, phase transition timing, and available support during each phase. This information enables customers to plan product upgrades years in advance. Schneider Electric system products move through five phases during their lifecycles:

- Preferred Products (PREF): These products are the most recent sales-released products available in their functional area.
- Available Products (AVAL): Products are available for sale primarily for expansion projects. They are no longer the Preferred Product offering.
- Mature Phase (MATR): Products withdrawn from sale. Comprehensive support services are provided.
- LifeTime Phase (LIFE): Schneider Electric continues to support and maintain standard Schneider Electric products based on an annual review of support capability.
- Obsolete (OBSL): Schneider Electric will determine if a product is unrepairable due to age or obsolescence and will provide advance notice via email to client personnel that have registered on the Global Customer Support website. Once the product has entered the Obsolete Phase, Schneider Electric can no longer provide a quality repair nor provide a module exchange. Products that are identified as Obsolete shall be excluded from coverage under this Service Agreement. If that product fails, Schneider Electric will suggest purchase of an alternate replacement.

*Note: Schneider Electric may adjust Product List Value (PLV) throughout product lifecycle.*

## 9.3 MODULE RESERVE PROGRAM (MRP) POLICY

If you encounter an issue with your Foxboro system, Schneider Electric will help you return it to normal operation. When replacement of a malfunctioning component is determined to be the best solution, a unit may be shipped from Schneider Electric inventory in exchange for your

malfunctioning unit. You must be covered by a Customer FIRST Support and Services Agreement to receive this benefit.

Product provided under the Module Reserve Program are billable and may be applied to Module Reserve Program (MRP) - Material Cost-Inclusive feature or the Flexible Material Fund if appropriate.

Major system components are carefully selected for refurbishment and inclusion in Schneider Electric inventory. These components undergo a comprehensive refurbishment process including error detection and correction. Firmware is updated when appropriate and the hardware is put through Schneider Electric's manufacturing product testing sequence. A 90-day warranty is provided on refurbished equipment.

### 1) CUSTOMER FIRST COVERAGE CONDITIONS

The Module Reserve Program (MRP) is available to Foxboro system customers that have Customer FIRST program Standard level coverage.

The requested replacement unit will be shipped by Schneider Electric AFTER Schneider Electric has received your malfunctioning unit.

### 2) PRODUCT LIFECYCLE AND AVAILABILITY

Components are categorized in the Available, Preferred, Mature, LifeTime, and Obsolete Phases defined in the Lifecycle Policy in the "Components and Software Covered" section of the Customer FIRST Support and Service Agreement. Product lifecycle status may affect availability, as described below.

- Products in Preferred, Available and Mature Phases are generally available for shipment within one business day, in accordance with Customer FIRST program level.
- Products in LifeTime Phase will be supplied on a reasonable effort basis, with shipment subject to availability, in accordance with Customer FIRST program level.
- Products in Obsolete Phase are not supported under this program. In situations in which it is determined that an Obsolete Phase product has failed, Schneider Electric may suggest that client purchase a new functionally equivalent Preferred Phase product if available.

### 3) ORDERING INSTRUCTIONS and PRICING

- a) Equipment is provided at the price prevailing at the time of shipment, if the exchange transaction meets the conditions detailed below.
- b) Equipment can be requested by the customer's authorized personnel by contacting the Global Customer Support center in the United States of America (telephone +(00)1 508-549-2424) or Schneider Electric representative in the customer's geographical area. Refer to the Schneider Electric Contact \ Material Return section of the Customer FIRST Support and Service Agreement.
- c) Shipping and handling costs may apply. This detail varies by country in accordance with local custom and regulations. Your Schneider Electric representative will advise you on this detail.
- d) The requested replacement material will be shipped generally within one business day after Schneider Electric receives the unit that is being replaced, subject to availability. Refer to "Product Lifecycle and Availability" section above.
- e) Delivery of critical equipment within 24 hours may be arranged if availability and transportation logistics allow it; a premium charge will apply.
- f) A purchase order or credit card number will be requested at time of order placement if product is billable.

#### 4) INSTRUCTIONS FOR PRODUCT RETURN TO SCHNEIDER ELECTRIC- DESIGNATED LOCATION

- a) A Return Material Authorization (RMA) number will be provided at the time of order placement for use in returning the malfunctioning unit to an address designated by Schneider Electric. The RMA number must be clearly identified on the box in which the malfunctioning unit is being shipped.
- b) Schneider Electric is not responsible for loss, or delay in processing, of returned material when packaging lacks clear identification (i.e., Return Material Authorization number, your company name, individual contact name and address) or is received at any Schneider Electric address other than the specific address provided with a Return Material Authorization number.
- c) The malfunctioning equipment must be received at the Schneider Electric-designated location before the refurbished replacement unit will be shipped to the customer.

#### 5) EVALUATION OF RETURNED PRODUCT

- a) Schneider Electric will evaluate returned material to determine whether it is in acceptable condition for repair/refurbishment and subsequent inclusion in Schneider Electric inventory.
- b) Schneider Electric reserves the right to disqualify returned units that do not qualify as visually presentable to our next client (i.e., scratched, written upon), or which have been damaged by misuse, incorrect installation, power surges, exposed to contaminants, force majeure, or subjected to non-Schneider Electric unauthorized repair. Such damage may prevent the modules from being repaired reliably and these modules must be removed from the pool of replacement modules.

#### 6) NON-COMPLIANCE

- a) Non-compliance with this policy will result in the issuance of an invoice for the full list price of product provided. Purchaser agrees to provide Schneider Electric with a funded purchase order for this purpose.

#### 7) WARRANTY

- a) The Module Reserve Program does not cover warranty replacement. For warranty replacement, the client can arrange for a return to the factory for repair or replacement in accordance with Schneider Electric warranty terms.

#### 8) CONSUMABLE PRODUCTS

- a) The Module Reserve Program supports consumable products at full value with the benefit of expedited shipment.

### 9.4 LEARNING SERVICES DISCOUNT POLICY

The discounts offered for Learning Services through the Customer FIRST agreement will not be applied for:

- Customized training, and custom training development
- Non-catalog-published seminars and workshops
- Third party training courses and certification courses; including those provided by Schneider Electric Learning Centers
- Customer Events fees
- Equipment expenses
- Freight shipment
- Instructor or Student travel and living expenses

Note: For Classic Learning Services, Instructor travel and living expenses, equipment expenses and freight shipment is included in discount when training is delivered on customer site.

## 10. COMMERCIAL SECTION

### 10.1 PROJECT TERMS AND CONDITIONS

<b>Proposal Validity:</b>	<p>This proposal is valid until August 31, 2022.</p> <p>Notwithstanding any provision of this proposal or the Purchase Order, Schneider Electric reserves its right to increase the price after the validity date to cover the cost caused by any delays or an extreme price inflation arising for reasons outside the reasonable control of Schneider Electric or its Suppliers and such change shall be documented through a Change Order or a revision to the Purchase Order.</p>
<b>Firm Prices:</b>	Prices are in USD and are firm for all Customer FIRST Program support and services.
<b>Taxes/Duties:</b>	Sales taxes, duties and other fees are not included in this proposal.
<b>Payment/Schedule</b>	Payment schedule is defined in this proposal.
<b>Services:</b>	Customer FIRST Program support and services shall be performed as defined in the proposal and by local practice or labor law.
<b>Others:</b>	<p>Unless stated as included elsewhere in the Proposal, all travel and living expenses are extra and will be invoiced at cost + 10%. Unless stated as included elsewhere in the Proposal, all engineering estimates do not include travel time which will be charged at an agreed to rate.</p> <p>This quotation assumes standard work 8-hour days, Monday through Friday, Schneider Electric holidays excluded.</p>
<b>Covid 19 Disclaimer:</b>	<p>The Customer acknowledges that the products or part thereof are produced in, or otherwise sourced from, or will be installed in areas already affected by, or that may be affected in the future by, the prevailing COVID-19 epidemics/pandemic and that the situation may trigger stoppage, hindrance or delays in Schneider Electric Systems' (or its subcontractors) capacity to produce, deliver, install or service the products, irrespective of whether such stoppage, hindrance or delays are due to measures imposed by authorities or deliberately implemented by Schneider Electric Systems (or its subcontractors) as preventive or curative measures to avoid harmful contamination exposure of Schneider Electric Systems' (or its subcontractors') employees. The Customer therefore recognizes that such circumstances shall be considered as a cause for excusable delay not exposing Schneider Electric Systems to contractual sanctions including without limitation delay penalties, liquidated or other damages or termination for default.</p>



## 10.2 STANDARD TERMS AND CONDITIONS FOR CUSTOMER FIRST AGREEMENT (CFA)

### Schneider Electric Systems USA, Inc. General Terms and Conditions of Sale of CFA

#### ARTICLE 1 - AGREEMENT TERM.

These General Terms and Conditions of Sale ("Terms of Sale") shall apply to any purchase or procurement of Goods, Software and/or Services by the legal entity procuring such Goods, Software and/or Services ("Buyer") from Schneider Electric Systems USA, Inc. ("Seller"). To the extent that there is a conflict between these Terms of Sale and a valid signed master agreement between the Buyer and Seller, the specific conflicting terms of the master agreement shall prevail. To the extent that there is a conflict between these Terms of Sale and another set of Seller terms and conditions issued to the Buyer as part of the proposal or quotation process, the specific conflicting terms of the proposal or quotation document shall prevail. To the extent that Buyer attaches any other terms and conditions to a Purchase Order or other instrument used to buy Seller's Goods, Software or Services, such attached Buyer terms and conditions shall be null, and void and these Terms of Sale shall be the terms and conditions of sale. Any other variation from these Terms of Sale shall require the signed consent of an authorized Seller representative.

#### ARTICLE 2 - DEFINITIONS

- 2.1 "Affiliates" means any legal entity which has an ownership interest in or is under a common ownership interest with a Party and which is defined in attachments to this Agreement or subsequent Purchase Orders. Notwithstanding the definition of Affiliates, Seller Affiliates shall not include Aveva Group PLC. and all its subsidiaries.
- 2.2 "Agreement" means these terms and conditions, Seller's Proposal with all the attachments, and the Purchase Order with all Change Orders "if any". In case of any discrepancies between the documents, the order of precedence will be as following:
1. Seller Proposal with all the attachments,
  2. These Terms of Sale with all the attachments, and
  3. The Buyer Purchase Order.
- 2.3 "Buyer" shall mean the company and any of its Affiliates which has executed a Purchase Order under this Agreement.
- 2.4 "CFA" shall mean Customer First Agreement which is the support services program Seller Provides to Buyer. The CFA scope of work, support exclusions and other special terms related to CFA are as described in the Seller's Proposal.
- 2.5 "Days" shall be calculated as calendar days unless otherwise specified under this Agreement.
- 2.6 "Expenses" shall mean all out-of-pocket expenses reasonably incurred by Seller in the provision of the Goods, Software and Services, including but not limited to, airfare, hotel, transportation, meals, supplies, data preparation, and other direct expenses incurred by Seller's personnel or subcontractors in performing Seller's obligations under a Purchase Order, as these expenses may be further detailed in a Purchase Order and the net tax costs of any non-deductible travel expenses for assignment of employees over one (1) year in locations not within a reasonable commuting radius of the employee's principal place of employment.
- 2.7 "Goods" shall mean all products, equipment, materials, spare parts, hardware, supplies, and accessories to be supplied under a Purchase Order.

2. 8        **“Intellectual Property Rights”** shall mean any patent, trademark, service marks, copyrights, trade secrets, ideas, concepts, know-how, techniques or other proprietary right.
2. 9        **“Party and Parties”** shall mean Seller, Buyer hereunder and any third party to which the Parties may have assigned their rights under the Agreement. In its singular form, Party means any one of Seller, Buyer or the third party to whom one of them has assigned its rights under the Agreement.
2. 10       **“Price”** shall mean the total value of a Purchase Order after all applicable discounts have been applied. Expenses are not included in the Price unless agreed upon in the Purchase Order.
2. 11       **“Purchase Order”** shall mean any purchase order, either paper or electronic, with related attachments and changes thereto, agreed upon by the Parties pursuant to this Agreement, which shall describe the specific Goods, Software or Services to be supplied by Seller to the Buyer and the detailed Specifications for such. Purchase Orders agreed upon from time to time between Seller and Buyer and/or their respective Affiliates shall constitute separate contracts that incorporate this Agreement.
2. 12       **“Seller”** shall mean Schneider Electric Systems USA, Inc.
2. 13       **“Services”** shall mean the provision of testing, assessment, per-diem or specific time-limited engineering services, installation, start-up, configuration and any development of application programs, customization, implementation, training and any other services agreed upon between the Parties in Purchase Orders hereunder.
- “Software”** shall mean computer software programs, in object code form including firmware and custom software, and instructions manuals, specifications and related documentation in written or electronic form, their related instructions manuals and documentation, for which Seller grants Buyer a license under the contract. The conditions of the Software license shall be set forth in the Seller end-user license agreement applicable to the particular Software at the time of delivery or, in the absence of such end-user license agreement, the software license terms contained herein. All modifications, enhancements, developments, additions or interfaces with other computer programs made by Seller, alone or jointly with Buyer, in the course of the performance of a purchase order shall be deemed owned by Seller and included in the Seller Software and shall be subject to all rights and limitations set forth in this license agreement for such Software applicable at the time of delivery.
2. 14       **“Specifications”** shall mean the Seller’s standard specifications applicable to the Goods and/or Software at the time of execution of the Agreement or a Purchase Order hereunder or the specific requirements mutually agreed upon between the Parties in Purchase Orders hereunder in relation to the Goods, Software and, with respect to Services, the agreed upon statement(s) of work containing a description of the Services to be rendered.
2. 15       **“Warranty Period”** shall mean the applicable time period during which Goods, Software and Services are respectively guaranteed by Seller under the conditions set forth herein and in accordance with the Warranties Article.

### **ARTICLE 3 -        CHANGES**

3. 1        Either Party may request changes that affect the scope, duration, delivery schedule or price of a Purchase Order, including changes in the Specifications and Goods, Software or Services to be delivered or licensed. If either Party requests any such change, the Parties shall negotiate in good faith a reasonable and equitable adjustment to the Purchase Order. Neither Party shall be bound by any change requested by the other until an amendment to the Purchase Order in the form of a change order has been accepted in writing by both Parties. Pricing of changes shall be based on the then current Seller’s prices.
3. 2        Any alteration, deletion or addition to the Work ordered in the Purchase Order, a change in any provision of the Purchase Order, or a change in law after the date of the Purchase Order, shall be effective only if made in a change order is executed by Buyer and Contractor. A change order, however, shall not modify any provisions of the Agreement unless the parties agree in writing to do so.

**ARTICLE 4 - PRICE**

- 4.1 Unless otherwise stated in an applicable quotation or proposal, all prices are subject to change without notice. In the event of a net price change and unless otherwise agreed to in writing, prices for orders scheduled for immediate release shall be those in effect at time of order entry. Prices for orders placed for future shipment without an agreed price and ship date will be billed at the pricing in effect as of the shipment date. All clerical errors are subject to correction.
- 4.2 **Services Assumptions:** Seller's work estimates are based on work performed during normal work hours (8 hours) between the hours of 06:00 and 18:00 local time, Monday to Friday, holidays excepted. Unless specified in writing the following are chargeable in addition to base rates: overtime or premium hours, travel costs, specialized tools and test goods, utility shutdowns, any delays or site issues not caused by Seller, additional trips for postponement or delay. No on-site orientation, safety training, work required for site specific requirements is included in a quotation unless expressly specified by Seller. Current rates are in Seller's then current Seller Field Services Demand Labor Rates document. Field specialists bill a 4-hour minimum charge for travel where Services are performed in less than 4 hours, and an 8-hour minimum charge for Services otherwise.

**ARTICLE 5 - TAXES:**

- 5.1 Unless otherwise set out in Seller's proposal or quotation, the price excludes all present or future sales taxes, revenue or excise taxes, value-added taxes, import and export duties and any other taxes, surcharges or duties now existing or hereafter imposed by Government authorities upon equipment and/or services quoted by the Seller. Buyer shall be responsible for all such taxes, duties and charges resulting from this agreement. The Seller is required to impose taxes on orders and shall invoice the Buyer for such taxes and/or fees according to state and local statute, unless the Buyer furnishes the Seller at the time of order with a properly completed exemption certificate(s) acceptable to the authorities imposing the tax or fees.
- 5.2 Any duty, tariff, levy, tax or charge (including without limitation, sales, use, excise, goods and services, harmonized, value-added and withholding taxes), customs levy or inspecting, licensing or testing fee, or other tax, fee or charge of any nature whatsoever, imposed by any governmental authority or measured by any transaction between Seller and Buyer, shall be paid by the Buyer in addition to the prices quoted or invoiced, and such charges will appear as a separate line item on the invoice. Buyer agrees that current unit prices will be equitably adjusted in the event Seller is required to pay any incremental amounts for any duty, tariff, levy, or charge on any input components of the Goods.

**ARTICLE 6 - INVOICING**

- 6.1 Invoices shall be sent to the address specified in the Purchase Order.
- 6.2 Should Buyer dispute any invoice, Buyer shall notify Seller of the nature of the dispute in writing within fifteen (15) days of the invoice date. Buyer shall have the right to withhold payment of the portion of the payment in question until the dispute is resolved ("Disputed Invoice"). If Buyer does not notify Seller of any dispute within fifteen (15) calendar days of the invoice date, then the invoice is deemed to have been accepted and invoice payment is required to be made on the payment due date per contract terms. Notwithstanding any dispute regarding the invoice, Buyer shall pay the undisputed portion of the disputed invoice.
- 6.3 Seller shall invoice Buyer in accordance with the invoicing milestones agreed in the relevant Proposal. All Time and Materials Orders shall be billed at 100% of Labor hours expended and Goods supplied shall be billed at then current rates of the Seller on a monthly basis. All Expenses incurred shall be billed on a monthly basis with a minimum administrative fee equal to 5% of the amount of expenses.

**ARTICLE 7 - PAYMENT TERMS**

- 7.1 Subject to Seller's approval of Buyer's current credit rating and unless otherwise agreed upon in the relevant

Purchase Order, payments of all Goods, Software, Services are due in advance, and Expenses are due Net thirty (30) calendar days from the invoice date. Buyer acknowledges that it has the right to request Seller reassess Buyer's creditworthiness from time to time, which Seller has the right to make a revision in its sole determination. Upon request, Buyer shall provide financial data evidencing the Buyer's worth in order for Seller to determine the creditworthiness of Buyer. Such information shall include, but not be limited to, annual reports, balance sheets, and bank records.

- 7.2 Payments advices from Buyer shall include the following information: invoice number, amount of payment, and purchase order number.
- 7.3 If Buyer is delinquent in its payment obligations, without prejudice to any other remedies available to it by law or in equity, Seller may demand immediate payment and at Seller's option (i) suspend all further deliveries or performance to be made under the Agreement or any further performance under any other contract with Buyer or Buyer's Affiliates, in which event Buyer shall not be released in any respect from its obligations to Seller under the Agreement or the other contract; (ii) recover all costs of collection including but not limited to reasonable attorneys' fees; (iii) repossess the Goods and Software for which payment has not been made; (iv) retain any equipment supplied by Buyer to Seller in relation to Seller's provision of Services; (v) charge interest at 1.5% per month on the past due amount, not to exceed the interest percentage allowed by law; and (vi) reassess the credit worthiness of Buyer and change any current payment terms. Any discount from Seller's rates, if any, shall cease to apply to the delinquent invoice, Buyer shall be invoiced for such differences in cost, and shall immediately pay the resulting invoice.
- 7.4 Buyer shall not set off or recoup invoiced amounts or any portion thereof against sums that are due or may become due from Seller and/or its Affiliates.

## **ARTICLE 8 - RECEIVING, INSPECTION AND ACCEPTANCE**

- 8.1 If Buyer fails to notify Seller of any material non-conformities with the Specifications within a reasonable period following delivery, not to exceed thirty (30) calendar days, or is using those Goods, Software or Services in a production environment or for the regular conduct of its business, the Goods, Software or Services shall be deemed accepted, without prejudice to the warranty provisions hereunder.
- 8.2 Buyer shall have the right to reject Goods, Software and Services not materially in accordance with the Specifications in the Purchase Order. Seller shall have a reasonable opportunity to correct non-conformities, replace non-conforming Goods and/or Software or correct or re-perform the Services at its option, in accordance with Warranty Article. Should Seller fail to use reasonable efforts to correct non-conformities, replace the non-conforming Goods and/or Software or re-perform or correct non-conforming Services within a reasonable period of time, based on the complexity of the non-conformities, Buyer may terminate the Purchase Order or portion thereof. Seller's maximum liability under this Article shall be to refund the fees and expenses paid by Buyer for the portion of the Goods, Software or Services that is non-conforming.
- 8.3 Unless other acceptance criteria are agreed upon in the Specifications, Seller's standard testing procedures, including factory acceptance test and site acceptance test where applicable, shall apply to Goods, Software and Services provided. If Buyer's representative is unable to attend any of these tests having received reasonable notice thereof, Buyer shall be deemed to have waived its entitlement to attend such tests. To the extent that any Goods, Software or Services have been, or can be deemed approved by Buyer pursuant to the terms of this Agreement or the applicable Purchase Order at any stage of Seller's performance, Seller shall be entitled to rely on such approval for purposes of all subsequent stages of its performance hereunder.

## **ARTICLE 9 - WARRANTIES**

- 9.1 **Warranty Period:** shall mean the applicable time period during which Goods, Software and Services are respectively guaranteed by Seller under the conditions set forth herein as follows:

- a **Customer First Support Program ("CFA"):** are warranted for a period of Ninety (90) days from the date of Service. Seller warrants that any parts, for Goods which are supplied while performing Services under the Agreement, will be free from material defects for a period of 90 days following delivery of such parts. Additionally, Seller warrants that any Software upgrades, patches, service packs, quick fix, quick custom, or corrective fixes which are supplied while performing Services under the Agreement, will be free from material

defects for a period of 90 days following delivery of such Software upgrades, patches, service packs, quick fix, quick custom or corrective fixes. For any breach of these warranties, a Buyer's exclusive remedy, and Seller's entire liability, shall be the reperformance of the Services or repair or replacement of such parts, Software upgrades, patches, service packs, quick fix, or quick custom.

- b **Consumable Products:** Products normally consumed in operation or which have an inherently short normal use period, including but not limited to consumables such as flashtubes, lamps, batteries, storage capacitors, are guaranteed for a period of ninety (90) days from date of delivery by Seller, except for disposable PH/ORP sensors, replacement PH, ORP and reference electrodes and dissolved oxygen membranes which are guaranteed for a period of one (1) year from the date of shipment or until they are installed, whichever occurs first.
- 9.2 **Exclusive Warranty Remedies:** In the event of any warranty covered defects or deficiencies in Goods in subsections above, or Services in subs. (b) above, the sole and exclusive obligation of Seller shall be to re-perform the Services, or repair or replace the defective Goods or part of the Goods, at Seller's sole discretion. Such warranty coverage is contingent on Buyer providing prompt notification to Seller once such defect or deficiency is reasonably apparent to Buyer.
- 9.3 **Exclusions & Limitations:** This warranty shall not apply (a) to Goods not manufactured by Seller, (b) Services not provided directly by Seller, (c) to Goods or Services that has been repaired or altered by anyone other than Seller so as, in Seller's judgment, affects the same adversely, (d) Seller's conformance with Buyer's design of the Goods or Software; or (e) to Goods or Services that appear to be subjected to negligence, accident, or damage by circumstances beyond Seller's control, or improper any non-Seller operation, maintenance or storage, or to other than normal use or service. The foregoing warranties do not cover reimbursement for labor, transportation, removal, installation, temporary power, or any other expenses that may be incurred in connection with repair or replacement.
- 9.4 **Non-Seller Goods or Services:** With respect to Goods not manufactured by Seller, or Services provided by non-Seller providers, the warranty obligations of Seller shall in all respects conform and be limited to the warranty extended to Seller by such non-Seller supplier.
- 9.5 SELLER MAKES NO WARRANTY THAT THE BUYER'S USE OF SELLER'S GOODS, SOFTWARE, OR SERVICES WILL BE UNINTERRUPTED, SECURE AND/OR ERROR-FREE. SELLER DOES NOT REPRESENT OR GUARANTEE THAT ANY GOODS AND/OR SOFTWARE WILL BE FREE FROM VULNERABILITIES, ATTACK, VIRUSES, INTERFERENCE, HACKING, OR OTHER SECURITY INTRUSIONS, AND SELLER DISCLAIMS ANY LIABILITY IN RELATION THERETO.
- 9.6 SOFTWARE AND SERVICES SOLD BY SELLER TO BUYER. BY USING THE PRODUCTS, SOFTWARE OR SERVICES, BUYER UNDERSTANDS THESE LIMITATIONS AND AGREES THAT BUYER ACCESSES AND USES THE PRODUCTS, SOFTWARE AND SERVICES AT BUYER'S OWN DISCRETION AND RISK AND THAT BUYER WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES TO BUYER'S SYSTEMS OR ASSETS OR LOSSES THAT RESULT FROM SUCH ACCESS OR USE.
- 9.7 EXCEPT AS SET FORTH HEREIN OR IN THE WARRANTIES PROVISIONS CONTAINED IN SEPARATE SOFTWARE END USE LICENSE AGREEMENTS, THESE WARRANTIES, CONDITIONS, AND EXCLUSIONS ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, REPRESENTATIONS AND GUARANTEES (EXCEPT WARRANTIES OF TITLE), EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED, TO IMPLIED WARRANTIES OF MERCHANTABILITY, MERCHANTABLE QUALITY, AND FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS MAY BE PROVIDED IN WRITING BY SELLER, SELLER SHALL NOT BE SUBJECT TO ANY OTHER OBLIGATIONS OR LIABILITIES WHATSOEVER THAN AS STATED ABOVE WITH REGARD TO GOODS, SOFTWARE AND SERVICES SOLD BY SELLER TO BUYER.
- 9.8 ALL WARRANTIES PROVIDED HEREIN ARE PERSONAL TO, AND INTENDED SOLELY FOR THE BENEFIT OF, BUYER AND DO NOT EXTEND TO ANY THIRD PARTY, EXCEPT IN CASE OF TRANSFER OF THE SOFTWARE IN ACCORDANCE WITH APPLICABLE SOFTWARE LICENSE OR THE ASSIGNMENT ARTICLE.

## ARTICLE 10 - INTELLECTUAL PROPERTY OWNERSHIP

10. 1 Seller retains ownership of all right, title and interest (including copyright and patent rights) in and to its Intellectual Property Rights relating to Goods and Services and work product relating to these. Nothing in these Terms of Sale constitutes a transfer or conveyance of any right, title or interest in such Intellectual Property, including without limitation any Software, including firmware, contained in those, except the limited right for use as it provided and stated herein.
10. 2 Seller may utilize proprietary works of authorship, pre-existing or otherwise, including without limitation software, computer programs, methodologies, templates, flowcharts, architecture designs, tools, specifications, drawings, sketches, models, samples, records and documentation, as well as Intellectual Property Rights and any derivatives thereof, which have been originated, developed or purchased by Seller, an Affiliate of Seller, or by third parties under contract to Seller or to an Affiliate of Seller (all of the foregoing, collectively, "Seller's Information"). Seller and any third party owner shall retain at all times their respective ownership of Seller's Information.
10. 3 Seller or the applicable third-party owner shall retain at all times the ownership of its Software, and Third Party Products, regardless of the media upon which the original or copy may be recorded or fixed. Without prejudice to the license(s) expressly granted hereunder and under a Purchase Order, no right, title or interest in or to the Software, Seller's Information, any copies thereof and any Intellectual Property Rights residing in the Goods, Software or result of Services is transferred to Buyer. Buyer acknowledges that the prices for Services and Software charged by Seller under these Terms of Sale are predicated in part on Seller's retention of ownership over such Software and any results of the Services, none of which shall be considered "work for hire."
10. 4 Buyer shall retain at all times the ownership of its Intellectual Property Rights, regardless of the media upon which the original or copy may be recorded or fixed.

## **ARTICLE 11 - SELLER SOFTWARE LICENSE**

Any software or computer information, in whatever form that is provided with Goods manufactured by Seller or as part of Services, is licensed to Buyer as previously sold under or pursuant to standard licenses of Seller or its supplier of such software or computer information which licenses are hereby incorporated by reference and are available upon request. Seller does not warrant that such software or computer information will operate error-free or without interruption and warrants only that during the warranty period applicable to the Goods that the software will perform its essential functions. If such software or computer information fails to conform to such warranty, Seller will, at its option, provide an update to correct the non-conformance or replace the software or computer information with the latest available version containing a correction. Seller shall have no other obligation to provide updates or revisions.

## **ARTICLE 12 - CONFIDENTIALITY**

12. 1 "Confidential Information" shall mean any and all information in any form that each Party provides to each other in the course of the Agreement and that either (i) has been marked as confidential; or (ii) is of such nature that a reasonable person would treat as confidential under like circumstances. Unless otherwise provided in the Specifications, Confidential Information does not include work products resulting from the Services performed hereunder and information which (i) is already known to the other Party at the time of disclosure; (ii) is independently developed without the benefit of the other's Confidential Information; (iii) is received from a third party that is not under any confidentiality obligation towards the owner of the information; or (iv) has entered the public domain through no fault of the recipient.
12. 2 Each Party retains ownership of its Confidential Information.
12. 3 Each party agrees to (i) protect the other's Confidential Information in the same manner as it protects the confidentiality of its own proprietary and confidential materials but in no event with less than reasonable care; (ii) use the other's Confidential Information only in relation to the Purchase Order.
12. 4 Upon termination of this Agreement or a relevant Purchase Order or upon written request submitted by the disclosing Party, whichever comes first, the receiving Party shall return or destroy, at the disclosing Party's choice, all of the disclosing Party's Confidential Information.
12. 5 Neither Party shall, except with respect to their employees, contractors or agents with a need to know for purposes of this Agreement, disclose to any person any Confidential Information of the other Party without the other Party's prior written consent, except where Confidential Information may be disclosed by law.



12. 6 Unless otherwise agreed in Purchase Orders, these confidentiality obligations shall terminate five (5) years after the expiration of the relevant Purchase Order or termination of this Agreement, whichever comes first.

## **ARTICLE 13 - SUSPENSION**

13. 1 Seller's performance of work under this Agreement or a Purchase Order may be suspended by the Buyer in whole or in part whenever the Buyer may elect, with minimum prior written notice ("Notice of Suspension") of at least thirty (30) business days.
13. 2 Upon Notice of Suspension, Seller shall (i) discontinue work on the date and to the extent specified in the notice; and (ii) makes every reasonable effort to stop orders for materials and equipment and reassign personnel.
13. 3 Upon Notice of Suspension, Buyer shall Pay all fees earned and expenses incurred in connection with the performance of this Agreement or the Purchase Order until the effective date of such suspension ("Fees and Expenses") including all reasonable costs directly related to Buyer's suspension pursuant to this provision, including costs associated with personnel reassignment, travel, restocking charges, storage costs and other administrative requirements ("Suspension Costs").
13. 4 In addition to the above, in the event of a suspension, Buyer acknowledges the following:
- a) All Milestones and/or delivery dates that have been agreed to, will be postponed, and such Milestones and/or delivery dates will be mutually agreed to upon the lifting of the Suspension.
  - a If the Suspension continues for more than thirty (30) days that the Seller's personnel assigned to the Agreement or Purchase Order may not be available and any cost required to attain the knowledge required to continue the performance of the Agreement or Purchase Order upon lifting the Suspension will be for the account of the Buyer.
  - b When the performance is re-commenced, Buyer shall pay costs associated with extending performance, such as, but not limited to, increased costs for Services, Goods, or Software, or the extension of warranties.
  - c The suspended Agreement and/or Purchase Order shall be recommenced upon the date mutually agreed to between the Parties.
13. 5 If the Buyer breaches any of its contractual obligations, including but not limited to its payment obligations, Seller shall have the right to suspend the performance of the Purchase Order.
13. 6 In the event that the suspension continues for greater than ninety (90) days, Seller, at its sole option, may terminate the Purchase, and the suspension shall be treated as a Termination for Convenience.

## **ARTICLE 14 - TERMINATION FOR CONVENIENCE**

Unless otherwise agreed in the Seller's Proposal:

14. 1 Seller's performance of work under this Agreement or a Purchase Order may be terminated by the Buyer in accordance with this article in whole or in part whenever the Buyer may elect, with minimum prior written notice ("Notice of Termination") of at least thirty (30) business days. Any such termination shall take place by delivery to the Seller of a Notice of Termination specifying the extent to which performance of work under the Agreement or Purchase Order is terminated, and the date upon which termination becomes effective. Upon receipt of any such notice, Seller shall, unless the notice requires otherwise:
- a) discontinue work on the date and to the extent specified in the notice; and
  - a makes every reasonable effort to obtain cancellation of all orders to subcontractors.
14. 2 Upon Notice of Termination, Buyer shall (i) pay all fees earned and expenses incurred in connection with the performance of this Agreement or the Purchase Order until the effective date of such termination ("Fees and Expenses"), (ii) any and all reasonable costs directly related to Buyer's termination pursuant to this provision,



including costs associated with personnel reassignment, travel, restocking charges and other administrative requirements ("Termination Costs"), and (iii) a termination fee of ten percent (10%) of the remaining value of each terminated Purchase Order. In the event of partial execution of the Agreement or when termination occurs between two invoicing milestones, a prorated share of the fees shall be added based upon the portion of Purchase Order completed on the termination date.

## **ARTICLE 15 - TERMINATION FOR DEFAULT**

- 15.1 Either Party may terminate this Agreement or any outstanding Purchase Order for default if the other has materially breached any of its obligations under the relevant Purchase Order and has not cured the breach within thirty (30) days of written receipt of a notice from the other Party.
- 15.2 Termination of a Purchase Order by either Party whether for default or for convenience shall not affect continuing performance by the Parties of their respective obligations under a different Purchase Order, unless otherwise agreed upon by the Parties.

## **ARTICLE 16 - COMPLIANCE**

- 16.1 Neither Party shall comply with any foreign boycott laws or requirements, which are in violation of any federal or state law, rule, or regulation.
- 16.2 Either Party shall execute and deliver to the other any documents as may be required to effect or evidence compliance.
- 16.3 The Parties may correspond and convey documentation via the Internet unless Buyer expressly requests otherwise. Neither Party has control over the performance, reliability, availability or security of the Internet. Seller shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption or alteration of any communication over the Internet due to any reason beyond Seller's reasonable control.

## **ARTICLE 17 - IMPORT AND EXPORT**

- 17.1 The deliverables provided by Seller under this Agreement contain or may contain components and/or technologies from the United States of America ("US"), the European Union ("EU") and/or other nations. Buyer acknowledges and agrees that the supply, assignment and/or usage of the products, software, services, information, other deliverables and/or the embedded technologies (hereinafter referred to as "Deliverables") under this Agreement shall fully comply with related applicable US, EU and other national and international export control laws and/or regulations.
- 17.2 Unless applicable export license/s has been obtained from the relevant authority and the Seller has approved, the Deliverables shall not (i) be exported and/or re-exported to any destination and party (may include but not limited to an individual, group and/or legal entity) restricted by the applicable export control laws and/or regulations; or (ii) be used for those purposes and fields restricted by the applicable export control laws and/or regulations. Buyer also agrees that the Deliverables will not be used either directly or indirectly in any rocket systems or unmanned air vehicles; nor be used in any nuclear weapons delivery systems; and will not be used in any design, development, production or use for any weapons which may include but not limited to chemical, biological or nuclear weapons.
- 17.3 If any necessary or advisable licenses, authorizations or approvals are not obtained, whether arising from inaction by any relevant government authority or otherwise, or if any such licenses, authorizations or approvals are denied or revoked, or if the applicable export control laws and/or regulations would prohibit Seller from fulfilling any order, or would in Seller's judgment otherwise expose Seller to a risk of liability under the applicable export control laws and/or regulations if it fulfilled the order, Seller shall be excused from all obligations under such order and/or this Agreement.

## **ARTICLE 18 - FORCE MAJEURE**

18. 1 Seller will be excused from and not be liable for any non-performance of a Purchase Order if such delay or non- performance is due to any cause beyond the reasonable control of Seller, or which Seller could not reasonably foresee or reasonably provide against, and which prevents Seller from carrying out the terms of the Purchase Order. This includes but is not limited to the following: war, revolution, insurrection or hostilities (whether declared or not), riot, economic upheaval, civil commotion or uprising, flood, earthquake, tempest, hurricane, lightning or other natural disaster; fire or explosion, epidemic or pandemic, strike, lockout or other industrial disturbance whether at Seller or one of its suppliers; sabotage, accident, cyber-attack, embargo, car shortage, wrecks or delays in transportation, non-delivery of materials or order or action of government authority.
18. 2 The Buyer acknowledges that the products or part thereof are produced in, or otherwise sourced from, or will be installed in areas already affected by, or that may be affected in the future by, the prevailing epidemics or pandemic and that the situation may trigger stoppage, hindrance or delays in Seller (or its subcontractors) capacity to produce, deliver, install or service the products, irrespective of whether such stoppage, hindrance or delays are due to measures imposed by authorities or deliberately implemented by the Seller (or its subcontractors) as preventive or curative measures to avoid harmful contamination exposure of Seller's (or its subcontractors') employees. The Buyer therefore recognizes that such circumstances shall be considered as a cause for excusable delay not exposing the Seller to contractual sanctions including without limitation delay penalties, liquidated or other damages or termination for default.
18. 3 Any delay resulting from such cause shall extend the date of delivery accordingly. Seller reserves the right to cancel a Purchase Order, if in its opinion such circumstances threaten or cause extended delay in the performance thereof.

## **ARTICLE 19 - INDEPENDENT CONTRACTOR**

19. 1 Seller is performing the Services as an independent contractor and not as an employee of Buyer and none of Seller's personnel shall be entitled to receive any compensation, benefits or other incidents of employment from Buyer. Seller shall be responsible for all taxes and other expenses arising from the employment or independent contractor relationship between Seller and its personnel and the provision of services hereunder by such personnel to Buyer.
19. 2 At all times and notwithstanding anything to the contrary herein or in a Purchase Order, Seller retains full control over the methods, details, persons employed or otherwise used to perform the Services and any other means of performance of its obligations under a Purchase Order and vary the composition of the team assigned to the performance of the Services or make different arrangements to achieve completion of its obligations.
19. 3 Nothing in this Agreement shall be deemed to constitute a partnership, joint venture, or fiduciary relationship between Buyer and Seller, nor shall anything in this Agreement be deemed to create an agency relationship between Buyer and Seller. Neither Buyer nor Seller shall be or become liable or bound by any representation, act or omission whatsoever of the other.

## **ARTICLE 20 - BUYER'S OBLIGATIONS**

### **20. 1 General Obligations:**

- a) Unless otherwise specifically agreed in the Specifications, Seller's personnel shall not perform Services on equipment in operation on Buyer's work site.
- a If Seller is to perform Services on Buyer's work site, Buyer shall be responsible for obtaining all applicable permits, visas or other governmental approvals required. Buyer shall be responsible for ensuring the safety of work conditions at its site and the safety of Seller's personnel.
- b Seller ensures that its employees, subcontractors and agents adhere to and comply with Buyer's health, safety, security and environmental ("HSSE") policies while at the work site, to the extent these policies have been made available to Seller.
- c Buyer agrees to cooperate with Seller in the performance of the project described in the Specifications, including, without limitation, providing Seller with, timely access to data, information and personnel of Buyer, and while on Buyer's Site, reasonable facilities and a safe working environment.

- d Buyer acknowledges and agrees that Seller's performance is dependent upon the timely and effective satisfaction of Buyer's responsibilities hereunder and timely decisions and approvals of Buyer where required. In addition, Buyer acknowledges and agrees that Seller may, in performing its obligations pursuant to this Agreement, be dependent upon or use data, material, and other information furnished by Buyer without any independent investigation or verification thereof, and that Seller shall be entitled to rely upon the accuracy and completeness of such information in performing its obligations. In the event that Seller incurs cost or is delayed due to Buyer's failure to comply with its obligations hereunder, Buyer shall issue a change order to extend the schedule and/or to provide the additional funding for any of Seller's costs incurred.

## 20.2 **Buyer's Cybersecurity Obligations:**

- a) **Buyer's Obligations for Its Systems:** Buyer is solely responsible for the implementation and maintenance of a comprehensive security program ("Security Program") that contains reasonable and appropriate security measures and safeguards to protect its computer network, systems, machines, and data (collectively, "Systems"), including those Systems on which it runs the Products or which it uses with the Services, against Cyber Threats. "Cyber Threat" means any circumstance or event with the potential to adversely impact, compromise, damage, or disrupt Buyer's Systems or that may result in any unauthorized access, acquisition, loss, misuse, destruction, disclosure, and/or modification of Buyer's Systems, including any data, including through malware, hacking, or similar attacks.
- a Without limiting the foregoing, Buyer shall at a minimum:
- have qualified and experienced personnel with appropriate expertise in cybersecurity maintain Buyer's Security Program, and have such personnel regularly monitor cyber intelligence feeds and security advisories applicable to Buyer's Systems or Buyer's industry;
  - promptly update or patch its Systems or implement other appropriate measures based on any reported Cyber Threats and in compliance with any security notifications or bulletins, whether publicly disclosed on Seller's security notification webpage at <https://www.se.com/ww/en/work/support/cybersecurity/security-notifications.jsp> or otherwise provided to Buyer;
  - regularly monitor its Systems for possible Cyber Threats;
  - regularly conduct vulnerability scanning, penetration testing, intrusion scanning, and other cybersecurity testing on its Systems; and
  - meet the recommendations of Seller's Recommended Cybersecurity Best Practices, available at <https://www.se.com/us/en/download/document/7EN52-0390/>, as may be updated by Seller from time to time, and then-current industry standards.
- b **Buyer's Use of the Products, Software, and Services:** Seller may release Updates and Patches for its Products, Software, and Services from time to time. Buyer shall promptly install any Updates and Patches for such Products, Software, or Services as soon as they are available in accordance with Seller's installation instructions and using the latest version of the Products or Software, where applicable. An "Update" means any software that contains a correction of errors in a Product, Software, or Service and/or minor enhancements or improvements for a Product, Software, or Service, but does not contain significant new features. A "Patch" is an Update that fixes a vulnerability in a Product, Software, or Service. Buyer understands that failing to promptly and properly install Updates or Patches for the Products, Software, or Services may result in the Products, Software, or Services or Buyer's Systems becoming vulnerable to certain Cyber Threats or result in impaired functionality, and Seller shall not be liable or responsible for any losses or damages that may result.
- c **Identification of Cyber Threats:** If Buyer identifies or otherwise becomes aware of any vulnerabilities or other Cyber Threats relating to the Products, Software, or Services for which Seller has not released a Patch, Buyer shall promptly notify Seller of such vulnerability or other Cyber Threat(s) via the Seller Report a Vulnerability page (<https://www.se.com/ww/en/work/support/cybersecurity/report-a-vulnerability.jsp#Customers>) and further provide Seller with any reasonably requested information relating to such vulnerability (collectively, "Feedback"). Seller shall have a non-exclusive, perpetual and irrevocable right to use, display, reproduce, modify, and distribute the Feedback (including any confidential information or intellectual property contained therein) in whole or part, including to analyze and fix the vulnerability, to create Patches or Updates for its

customers, and to otherwise modify its Products, Software, or Services, in any manner without restrictions, and without any obligation of attribution or compensation to Buyer; provided, however, Seller shall not publicly disclose Buyer's name in connection with such use or the Feedback (unless Buyer consents otherwise). By submitting Feedback, Buyer represents and warrants to Seller that Buyer has all necessary rights in and to such Feedback and all information it contains, including to grant the rights to Seller described herein, and that such Feedback does not infringe any proprietary or other rights of third parties or contain any unlawful information.

- d Buyer agrees to indemnify, defend, and hold harmless Seller from and against any and all claims, lawsuits, demands, actions, or other proceedings brought against it by any third party due to, arising out of, or related to Buyer's failure to comply with its obligation as identified under this article, including Buyer's failure maintain a Security Program in compliance with what was agreed with the Seller or Buyer's failure to promptly and properly install Updates and Patches for the Products, Software or Services in accordance with this article.

## **ARTICLE 21 - INSURANCE**

Seller maintains sufficient insurance and shall provide upon request to Buyer, certificates of such insurance policies. Seller agrees to provide a thirty (30) days advance notice of any material change or cancellation of any insurance policies.

## **ARTICLE 22 - INDEMNIFICATION**

22. 1 Seller shall indemnify, defend and hold Buyer harmless against third party claims (including without limitation, the Parties' employees) for personal injury, death or loss or damage to property caused by and to the extent of Seller's negligence in the performance of its obligations hereunder, provided (i) Seller is entitled to exclusively control the defense against the claim; (ii) Seller is immediately notified of such claim and (iii) Buyer provides reasonable assistance in the defense of the claim and does not enter into any settlement or make any concession without the Seller's prior written approval.
22. 2 This Article states the Parties' entire liability and sole remedy with respect to infringement or claims thereof.

## **ARTICLE 23 - LIMITATION OF LIABILITY**

23. 1 NOTWITHSTANDING ANY PROVISION OF THESE CONDITIONS OF SALE OR ANY OTHER CONTRACT DOCUMENT TO THE CONTRARY, IN NO EVENT SHALL EITHER PARTY, ITS OFFICERS, DIRECTORS, AFFILIATES OR EMPLOYEES BE LIABLE FOR: LOSS OF BUSINESS, PROFITS, REVENUES OR ANTICIPATED SAVINGS; LOSS OR DEPLETION OF GOODWILL; LOSS OF ORDERS, PRODUCTION OR USE; LOSS OR CORRUPTION (OR RECONSTRUCTION) OF DATA OR INFORMATION OR RECONSTRUCTION OF DATA OR INFORMATION; ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR PURE ECONOMIC LOSS, COSTS, DAMAGES, CHARGES OR EXPENSES; OR ANY INCIDENTAL OR PUNITIVE DAMAGES.
23. 2 NOTWITHSTANDING ANY OTHER PROVISION OF THESE CONDITIONS OF SALE OR ANY OTHER CONTRACT DOCUMENT TO THE CONTRARY, AND TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE MAXIMUM AGGREGATE LIABILITY OF SELLER FOR DIRECT DAMAGES HEREUNDER SHALL NOT EXCEED THE AMOUNTS ACTUALLY PAID BY THE BUYER TO SELLER FOR THE WORK GIVING RISE TO A CLAIM.
23. 3 TO THE EXTENT PERMITTED BY LAW, THE PROVISIONS OF THIS ARTICLE SHALL APPLY REGARDLESS OF THE FORM OF ACTION, DAMAGE, CLAIM, LIABILITY, COST, EXPENSE, OR LOSS, WHETHER IN CONTRACT, STATUTE, TORT OR OTHERWISE.

## **ARTICLE 24 - ASSIGNMENT**

24. 1 This Agreement shall extend to and be binding upon the parties hereto, their successors, and assigns, provided, however, that neither Party shall assign or transfer this Agreement or any Purchase Order hereunder without the other party's express prior written consent, which shall not be unreasonably withheld. Notwithstanding the

foregoing, Seller shall have the right to assign this Agreement or any Purchase Order hereunder to any of its parent, affiliates without prior written consent of Buyer and Buyer shall have the right to transfer the licensed Software in accordance with the applicable License.

24. 2 Seller shall have the right at any time without prior consent of Buyer to subcontract all or part of its obligations under a Purchase Order. Such subcontract shall not relieve Seller from its obligations under this Agreement and relevant Purchase Order.

## **ARTICLE 25 - LAWS AND DISPUTE RESOLUTION**

All matters arising out of or relating to the execution, construction, interpretation or breach thereof, are to be governed by the laws of Massachusetts, excluding such jurisdiction's rules regarding conflicts of laws and the provisions of the United Nations Convention on Contracts for the International Sale of Goods. Seller agrees to bring any action claims or legal proceedings in any way pertaining to this Purchase Order, or the execution, construction, interpretation or breach thereof in the courts of the jurisdiction specified above and in no other court or tribunal whatsoever.

## **ARTICLE 26 - ANTIBRIBERY AND CORRUPTION**

26. 1 Buyer acknowledges that Seller is committed to eliminating all risk of bribery and corruption, influence peddling, money laundering and tax evasion or the facilitation thereof in its business activities. Buyer must immediately notify Seller of any suspected, or known, breaches of Anti-Corruption Law. Buyer may raise this alert through their point of contact or through the Green Line:  
<https://secure.ethicspoint.eu/domain/media/en/gui/104677/index.html>.
26. 2 None of Buyer's employees, beneficial owners, shareholders, or any other person who is involved in or will benefit from the performance of the Contract or has an interest in Buyer:
- a) is a civil servant, public or governmental official;
  - b) is an official or employee of Seller or one of its affiliates; or
  - c) has been convicted of, or otherwise been subjected to any administrative sanction or penalty for, any offence involving fraud, bribery, corruption, influence peddling, money laundering, or any other criminal offence involving dishonesty as an element. Buyer will immediately notify Seller if any such individuals are the subject of any investigation into any such offenses.
26. 3 Buyer undertakes and covenants to Seller that it shall not, alone or in conjunction with any other person, directly or indirectly, offer, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, undue advantage, or anything of value to any employee, official or authorized representatives of Seller.

## **ARTICLE 27 - SOLE AGREEMENT**

27. 1 This Agreement, including any Purchase Order entered into pursuant hereto, constitutes the entire agreement of the parties hereto with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions, and communications, whether oral or in writing with respect to this subject matter. This Agreement may be modified only by means of a duly executed written amendment signed by the authorized representatives of both Parties. Neither the terms of any invoice or other instrument documenting a payment or transaction that is issued by Buyer in connection this Agreement, nor any other act, document, pre-printed form or statement, usage, custom, or course of dealing shall modify the terms of this Agreement. In the event of any conflict between the terms of this Agreement and any Purchase Order, the provisions of this Agreement shall govern unless expressly agreed upon by the Parties under the Purchase Order and modifications made by the Purchase Order to this Agreement are required to comply with local applicable laws.

## **ARTICLE 28 - HEALTH AND SAFETY COMPLIANCE**

Seller employees shall not perform Services that, in their sole opinion, are not free of reasonably foreseeable harm. This includes working on any equipment, whether provided by Seller, Buyer or otherwise, that in such Seller employees' sole opinion has not been placed in an electrically safe working condition. Buyer warrants that site and working conditions shall meet or exceed those specified by applicable Occupational Health and

Safety Act and Regulations. Buyer shall inform Seller of: (a) Known hazards, or reasonably foreseeable hazards, that are related to Seller's scope of Services and the site where the Services will be performed; and (b) Information about the worksite necessary to identify hazards and assess risk for the protection of the health and safety of Seller personnel. This information might include, but is not limited to: (i) Providing an accurate up-to-date single line diagram of the electrical distribution system; (ii) Providing relevant Workplace Hazardous Materials Information System (WHMIS) information such as Material Safety Data Sheets (MSDS) and floor plans indicating areas where hazardous materials are located and emergency exits for service rooms and other areas of operation; and (iii) Other site specific information relative to the Buyer's operation, process and safety systems. Any hazardous materials requiring remediation in Seller's sole opinion will be separately chargeable to Buyer and will be a condition precedent to Seller's performance of such Services.

## ARTICLE 29 - MISCELLANEOUS

29. 1 **Waiver.** Failure by either Party to insist upon strict performance of any of the terms and conditions hereof or failure or delay exercising any rights or remedies provided herein or by law or to properly notify the other in the event of breach shall not be construed as a waiver of any provision of this Agreement or Purchase Order. No waiver by a party of a right or default under this Order shall be effective unless in writing.
29. 2 **Severability.** If any provision or portion of this Agreement shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, that provision or portion of this Agreement shall be deemed omitted and the remaining provisions and portions shall remain in full force and effect.
29. 3 **Amendments.** Any amendment to the terms of this Agreement shall only be effective if made in writing and signed by Buyer and Seller. Once an Agreement amendment is made, it shall be deemed incorporated as of its effective date for all future Purchase Orders, unless expressly stated to the contrary in the Agreement amendment. Such amendment shall also apply to ongoing Purchase Orders except no such amendment shall impact the pricing, pay, title, delivery, or freight terms of ongoing Purchase Orders unless expressly stated to the contrary in the Agreement amendment.
29. 4 **Notice.** All notices hereunder shall be deemed given if delivered in writing personally, by courier, sent via US mail, electronic transmission, telephone facsimile, telex, or telegram to Buyer or to Seller at the address(es) set forth in the Purchase Order(s). Electronic transmission must be acknowledged by a process requiring human action. Any notice given by US mail shall be deemed given at the time such notice is deposited with the US mail service.
29. 5 **Survivorship.** The provisions of this Agreement that by their nature survive final acceptance under a Purchase Order, expiration, cancellation or termination of any Purchase Order or Agreement and shall remain in full force and effect after such acceptance and payment for the period specified herein, or if not specified then for the maximum time allowed by law. These Articles are (Definitions, Price, Taxes, Warranties, Intellectual Property Ownership, Seller Software License "if any", Confidentiality, Compliance, Force Majeure, Indemnification, Limitation of Liability and Laws and Dispute Resolution)
29. 6 **Headings.** The headings in this Agreement are for ease of reference only and shall not be used to construe or interpret the provisions of the Agreement.
29. 7 **Greenline.** In the event Buyer has concerns related to ethics, compliance or Seller's Principles of Responsibility, and/or any potential violations of these policies, Buyer is welcome to make use Seller's GreenLine. The GreenLine is Seller's global helpline for external stakeholders. It is a confidential channel through which Buyers can ask questions and raise concerns. Reports can be made using the link below: <https://secure.ethicspoint.eu/domain/media/en/gui/104677/index.html>



**Attachment A****Special Terms and Conditions for multi-year CFA**

These Special Terms and Conditions will only apply to a **multi-year Customer First Agreement (“CFA”)**. For the purposes of interpretation or discrepancy with any other documents, these Special Terms and Conditions for multi-year CFA shall prevail.

**ARTICLE 1 - TERM.**

Notwithstanding anything else in a Buyer Purchase Order, or if the Buyer Purchase Order is issued for a period less than the Term of the CFA, Buyer agrees that the CFA Term shall be the Agreement Term, and such Term shall take precedence over any other period stated elsewhere. If Buyer issues a Purchase Order for less than the Term, Buyer’s failure to issue a subsequent Purchase Order or other order document for the remainder of the Term shall be considered a “Termination for Convenience” pursuant to the Article in this Attachment hereafter.

**ARTICLE 2 - TERMINATION FOR CONVENIENCE.**

Buyer may terminate the Agreement without cause by giving Seller ninety (90) days written notice of such termination prior to the specified termination date. Upon termination of the Agreement, Buyer shall pay Seller (i) all fees and expenses (including but not limited to CFA fees) earned or incurred in connection with the performance of the Services under the Agreement until the effective date of such termination (“Fees and Expenses”); (ii) any and all reasonable costs directly related to Buyer’s termination pursuant to this provision, including costs associated with personnel reassignment, travel and other administrative requirements, which termination costs equal 25% of the remaining balance of the total Agreement value and (iii) a Termination Fee equal to 2.5 % of the Agreement value.



INFORMATION  
ITEM  
**3A**

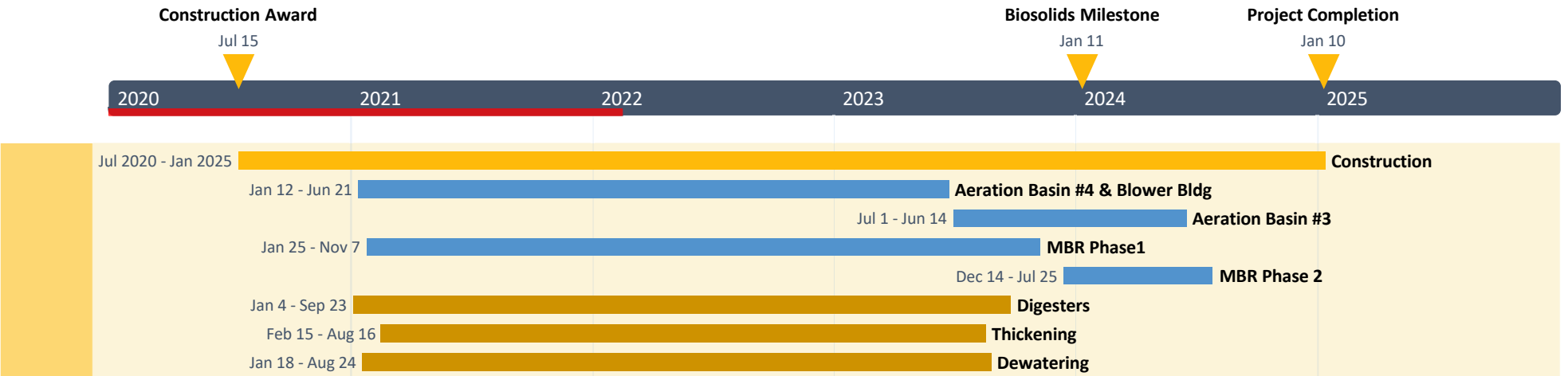
# RP-5 Expansion Project Update:

July 2022  
Project Nos. EN19001 and EN19006

Brian Wilson, P.E., CCM  
Principal Engineer  
July 2022

# RP-5: Project Status

Day 745 of 1640 = 44%



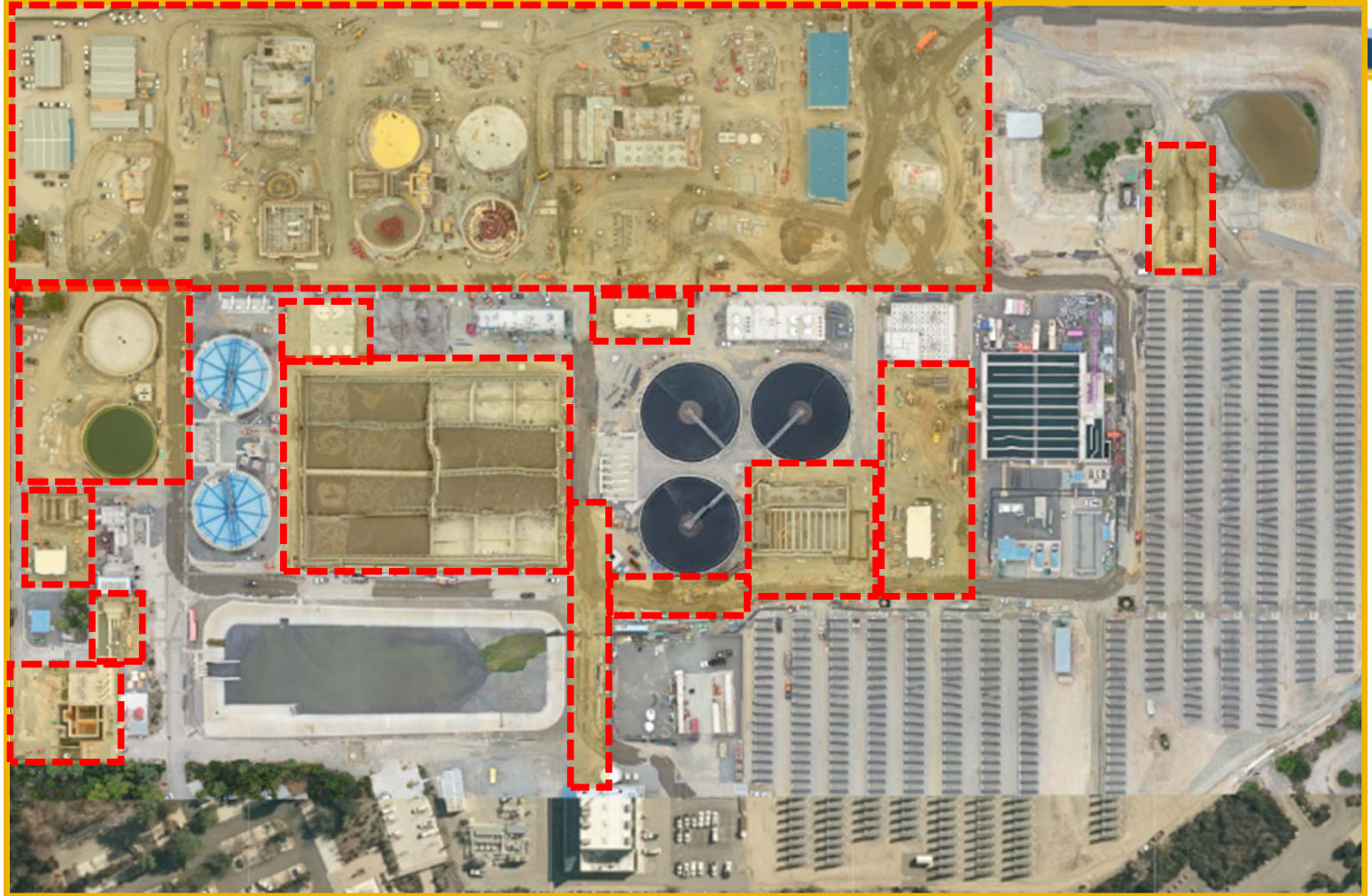
Role	Firm	Contract	This Month's Payment	Total Paid	% Complete
Contractor	WM Lyles	\$334,356,642	\$6,002,923	\$158,487,346	47%
Designer	Parsons	\$33,670,711	\$300,000	\$31,161,063	93%
Construction Management	Arcadis	\$21,125,523	\$381,823	\$8,821,487	42%

Data date: 7/30/2022



## RP-5: Major Activity Areas

- Construction Staff**
- WML Craft: 202
  - WML Project: 40
  - IEUA & CM: 15
  - Total: 257



## RP-5: Major Activities



**Influent Pump Station**



## RP-5: Major Activities



**Grit Chamber No. 1A**



## RP-5: Major Activities



**Fine Screens**



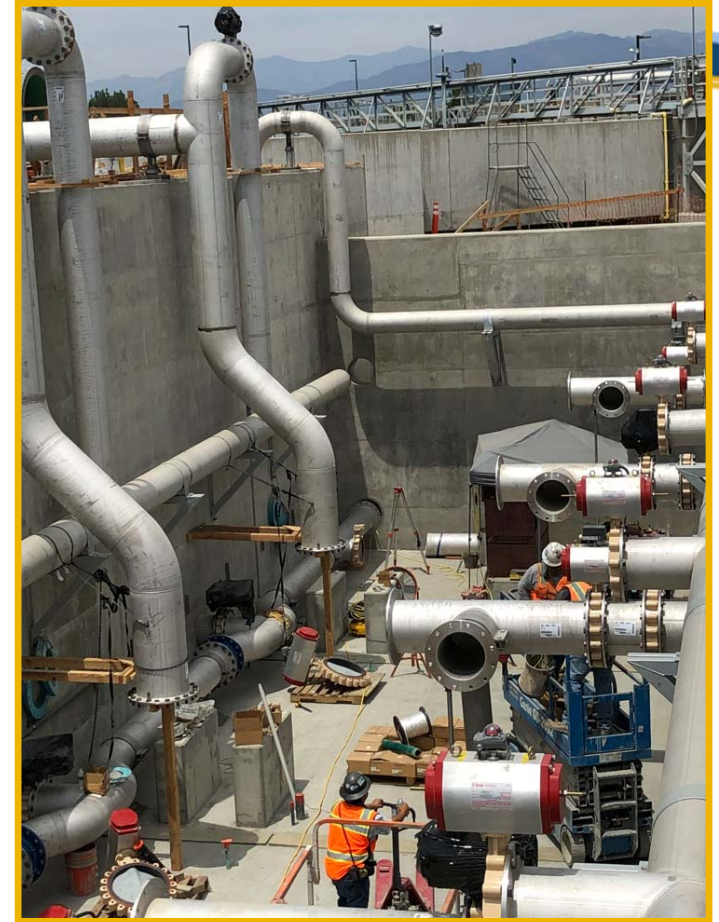
## RP-5: Major Activities



**Primary Clarifiers**



## RP-5: Major Activities



**MBR Phase 1**



## RP-5: Major Activities



**Structure**



**Rotary Drum  
Thickeners  
Thickening Building**



**Sludge  
Transfer**

## RP-5: Major Activities



**Interior**



**Exterior**

## Acid Phase Digester Building



## RP-5: Major Activities



**Interior**



**Exterior**

**Gas Phase Digester Building**



## RP-5: Major Activities



**Dewatering Building**

## RP-5: Major Activities



**Solids Timelapse**



# RP-5: Major Impacts



## Supply Chain and Service Level Updates

### Rockwell Automation Manufacturing Lead Times | As of July 20, 2022

Estimated in calendar days for those select products that may be experiencing delays because of ongoing supply constraints stemming from components shortages and related issues.

Product Family and Product	Standard Lead Time	Current Average Lead Time as of 07/20/2022	change since previous update*
1756 L8 ControlLogix® 5580 Controllers	Stock	200	↔
1756 L8 GuardLogix® 5580 Safety Controllers	Stock	203	↔
1756 L8 ControlLogix 5580 Process Controllers	Stock	179	↔
5069 CompactLogix™ Controllers 5380	Stock	197	↑
5069 Compact GuardLogix Safety Controllers 5380	Stock	201	↑
5069 CompactLogix Process Controllers 5380	Stock	218	↑

			Updated 7/28	
Item Name	Part #	Amount	EST SHIP DATE	Change from last update
ETHERNET 10/100M BRIDGE MODULE W/ PRP	1756-EN2TP	5	2/17/23	9
CONTROLLOGIX ETHERNET 10/100M BRIDGE MODULE WITH PRP (2-PORTS)	1756-EN2TP	3	2/17/23	9
CONTROLLOGIX ISOLATED ANALOG INPUT MODULE 8 PTS (36 PIN), HART	1756-IF8IH	5	11/30/22	0
PRE-WIRED CABLE FOR 1756-IF8IH ANALOG INPUT MODULE, 5 METERS	1492-ACABLE050YA	3	10/12/22	0
ANALOG INPUT INTERFACE MODULE, ISOLATED 8-CHANNEL	1492-AIFM8S-3	5	9/28/22	63
SURGE PROTECTION FILTER	4983-DC120-20	2	9/16/22	21
20-POINT RELAY MASTER DIGITAL IFM, 120VAC, 16 RELAYS, RELAY INTERFACE M	1492-XIM20120-16R	5	8/29/22	52
CONTROLLOGIX ANALOG OUTPUT MODULE 8 PTS (20 PIN)	1756-OF8	3	8/12/22	0
CONTROLLOGIX 24VDC REDUNDANT POWER SUPPLY KIT	1756-PBR2	5	8/5/22	16

## Rockwell Control System Delays



Questions?

INFORMATION  
ITEM  
**3B**



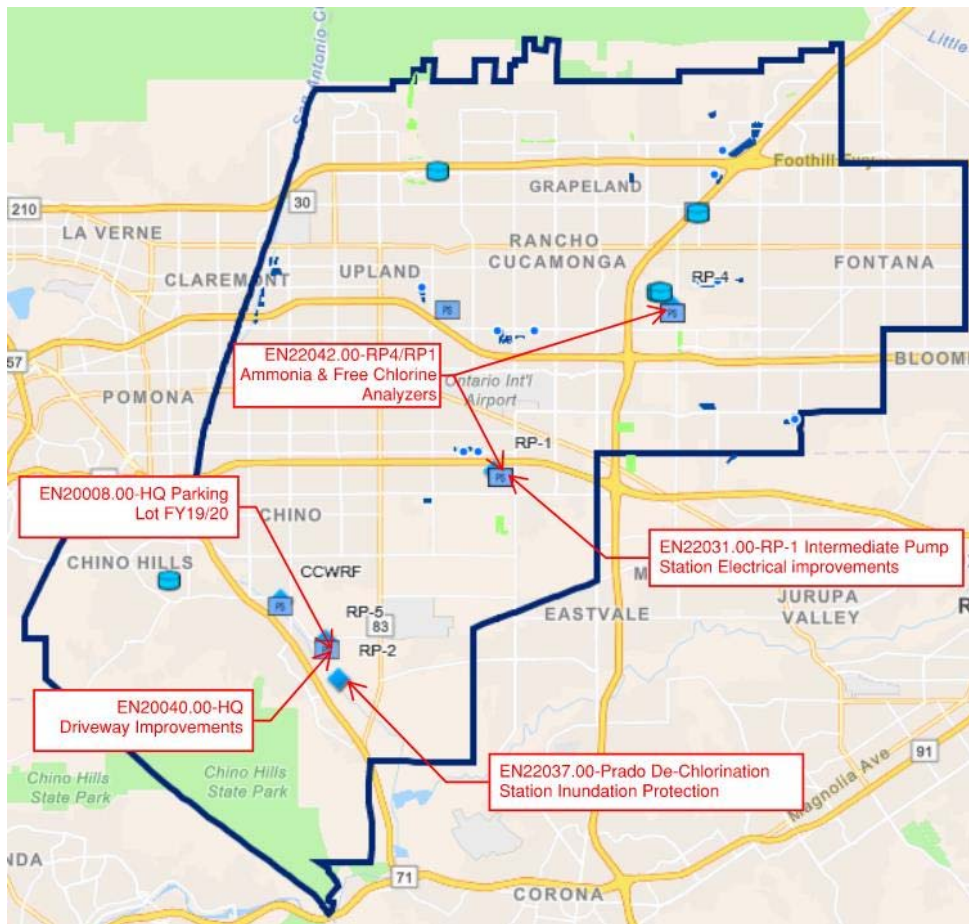


# Engineering and Construction Management Project Updates

Jason Marseilles, P.E.

Manager of Engineering & Construction Management

August 2022



## Project Location Map



# HQ Driveway Safety Improvements

Project Goal: Improve Safety and Accessibility



HQA Driveway Entrance

**Total Project Budget: \$1.1M**  
**Project Completion: July 2022**  
**Construction Percent Complete: 99%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	Valued Engineering	\$40k	0%
Construction	W.A Rasic	\$722k	3.7%
Project Management Team			
Project Manager:		Frabizio, Julianne	
Assistant/Associate Engineer:		N/A	
Administrative Assistant:		Wallace & Associates	
Inspector:		GK & Associates	

# Prado De-Chlorination Station Inundation Protection

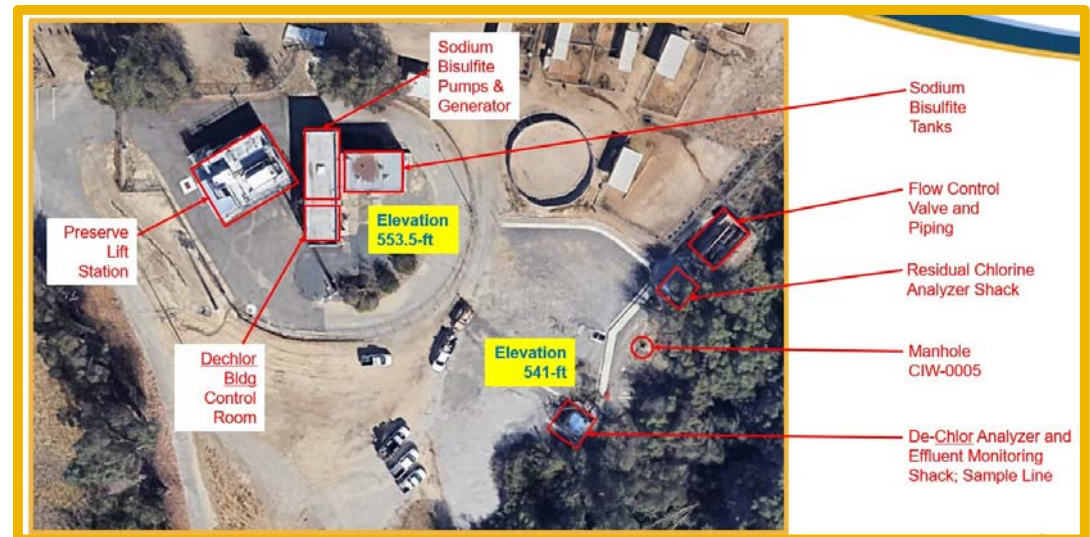
Project Goal: Extend Asset Life

**Total Project Budget: \$380k**

**Project Completion: September 2022**

**Construction Percent Complete: 0%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Assessment	Stantec	\$50k	0%
Construction	Sancon Technologies	\$271k	0%
Project Management Team			
Project Manager:		Frabizio, Julianne	
Assistant/Associate Engineer:		N/A	
Administrative Assistant:		Wallace & Associates	
Inspector:		Hull, Kurt	



Prado De-Chlorination Station Birds Eye View



# RP-1 Intermediate Pump Station Improvements

Project Goal: Extend Asset Life



**Total Project Budget: \$9M**  
**Project Completion: April 2025**  
**Design Percent Complete: 10%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design Current	GHD	\$1M	0%
Construction	TBD	\$0	0%
Project Management Team			
Project Manager:		Simpson, James	
Assistant/Associate Engineer:		Asprer, Kevin	
Administrative Assistant:		Wallace & Associates	
Inspector:		TBD	

# RP1/RP4 Ammonia & Free Chlorine Analyzers

Project Goal: Improve Performance & Regulatory Compliance

**Total Project Budget: \$620k**

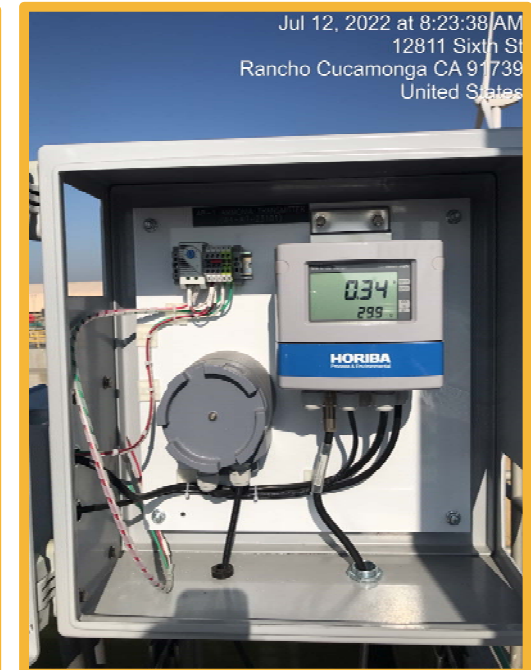
**Project Completion: August 2022**

**Construction Percent Complete: 100%**

Phase	Consultant/ Contractor	Current Contract	Amendments/ Change Orders
Design	WSC	\$65k	29%
Construction (Current)	Big Sky Electric, Inc	\$281k	0%
Project Management Team			
Project Manager:	Spears, James		
Assistant/Associate Engineer:	Salazar, Sandra		
Administrative Assistant:	Wallace & Associates		
Inspector:	Carollo		



New Free Chlorine Analyzer



New Ammonia Analyzer