

# PROFESSIONAL CONSULTANT SERVICES AGREEMENT

SOS INTL, LLC

Development of Standard Operating Procedures & Training  
for Riverside Public Utilities Grid Control Center; RPU-1836

THIS PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019 ("Effective Date"), by and between the CITY OF RIVERSIDE ("City"), a California charter city and municipal corporation and SOS INTL, LLC, a North Carolina limited liability company ("Consultant").

1. **Scope of Services.** City agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with the Development of Standard Operating Procedures & Training for Riverside Public Utilities Grid Control Center; RPU-1836 ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect until June 30, 2022, unless otherwise terminated pursuant to the provisions herein.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Two Hundred Eighty-Six Thousand Dollars (\$286,000), payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To City

Riverside Public Utilities  
City of Riverside  
Attn: Gerald McAllister  
3750 University Avenue, 4<sup>th</sup> Floor  
Riverside, CA 92501

To Consultant

SOS Intl, LLC  
Attn: Tammy Dayton  
10715 Sikes Place, Suite 114  
Charlotte, NC 28277

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at [www.dir.ca.gov/dlsr/DPreWageDetermination.htm](http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm) and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the City will be appointed in writing by the City Manager or Department Director to administer this Agreement on behalf of City and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to City approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

## **11. Indemnification.**

**11.1 Design Professional Defined.** For purposes of this Agreement, "Design Professional" includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

**11.2 Defense Obligation For Design Professional Liability.** Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. Consultant will reimburse City for reasonable defense costs for claims arising out of Consultant's professional negligence based on the percentage of Consultant's liability. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

**11.3 Indemnity For Design Professional Liability.** When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the City and the City's employees, officers, managers, agents, and Council Members ("Indemnified Parties") from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding,

damage, cost, expense (including counsel and expert fees), judgment, civil fines and penalties, liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

#### **11.4 Defense Obligation For Other Than Design Professional Liability.**

Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant.

This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

**11.5 Indemnity For Other Than Design Professional Liability.** Except as to the sole negligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

## **12. Insurance.**

**12.1 General Provisions.** Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

**12.1.1 Limitations.** These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 **Ratings.** Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

12.1.4 **Adequacy.** The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 **Workers' Compensation Insurance.** By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Consultant shall file with City either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days' prior written notice before modification or cancellation thereof.

12.3 **Commercial General Liability and Automobile Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The City, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

**12.4 Errors and Omissions Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

**12.5 Subcontractors' Insurance.** Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon City's request,

Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by City's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the City.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of City. Consultant shall not release to others information furnished by City without prior express written approval of City.

19. **Copyrights.** Consultant agrees that any work prepared for City which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to City, and agrees to provide all assistance reasonably requested by City in the establishment, preservation and enforcement of its copyright in such work, such assistance to be provided at City's expense but

without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or subsequent modifications.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.

25. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered through the termination



date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

25.1 Other than as stated below, City shall give Consultant thirty (30) days' prior written notice prior to termination.

25.2 City may terminate this Agreement upon fifteen (15) days' written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 City decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the City, City reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by City to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon City and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.

29. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

30. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term,

condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

31. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

32. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

33. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

33.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

33.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

33.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

34. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

Exhibit "A" - Scope of Services

Exhibit "B" - Compensation

Exhibit "C" - Key Personnel

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California  
charter city and municipal corporation  
a California corporation

SOS INTL, LLC  
a North Carolina limited liability company

By: \_\_\_\_\_  
City Manager

By: James S. Boet  
JAMES S. BOET  
[Printed Name]  
Director of Administration  
[Title]

Attest: \_\_\_\_\_  
City Clerk

Certified as to Availability of Funds:

By: [Signature]  
Chief Financial Officer

By: [Signature]  
ROCKY L. SEASE  
[Printed Name]  
CEO  
[Title]

Approved as to Form:

By: [Signature]  
Assistant City Attorney

**EXHIBIT "A"**

**SCOPE OF SERVICES**

## **SOS Quality Control**

SOS assures the quality of work for our clients by applying the best and appropriate resources to the project. Our point of differentiation is our resources and their ability to understand the details of the requested work requirements in the specific operating scope and culture of the client. All our resources are subject matter experts with extensive experience in the power industry. This background and experience will be generously applied to the RPU project to assure a quality assessment targeted at RPU's material, program, and culture.

SOS uses a peer review method to apply the full breadth of our resource expertise across all the sections, issues, and recommendations of the SOP and training development.

On the kick-off call, we will discuss the project timeline to create mutually agreed upon milestone dates. We will set up regular weekly or bi-weekly progress meetings for the duration of the project to communicate and track task completion.

## **Scope of Work**

Overview of proposal:

Task 1: Conduct kick-off meeting and key stakeholder interviews to understand RPU's existing hierarchy and operations

Task 2: Conduct off-site gap analysis

Task 3: Develop a procedure for *Writing, Revising and Publishing Procedures*

Task 4: Develop a procedure for *Grid Control Center Conduct of Operations*

Task 5: Develop switching and tagging instructions

Task 6: Develop operating instructions for 15 RPU substations

Task 7: Develop, update, or consolidate 20 operational procedures

Task 8: Perform miscellaneous tasks

Task 9: Manage project

### **Task 1 – on-site kick off call and interviews (Four weeks)**

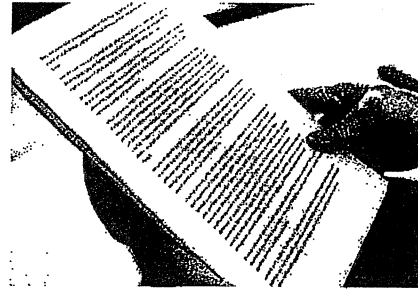
- Review RPU organizational structure
- Examine RPU operations practices
- Introduce key personnel
- Interview stakeholders
- Evaluate stakeholder needs and expectations to assure SOS activities meet RPU needs

### **Task 2 – conduct off-site gap analysis (Three weeks)**

- Review each procedure, process, and practice
- Evaluate each procedure, process, and practice for the following attributes:
  - Meets NERC compliance requirements
  - Is intuitive and easy to implement for operations staff
    - Roles and responsibilities are clearly stated
    - Required actions are defined
    - Reporting and notification contacts are included
  - Contains adequate internal controls
  - Includes all required safety checks

**Task 3 – develop a procedure for *Writing, Revising and Publishing Procedures* off-site (Four weeks)**

- Develop a procedure with step-by-step instructions on how to create a procedure, process, and or practice. This document will ensure all RPU procedures, processes, and practices have a common format and may include but is not limited to:
  - How to introduce or request a new procedure, process, or practice
  - How to revise a current procedure, process, or practice
  - Format
    - Scope
    - Applicability
    - Regulatory compliance obligations
    - References
    - Definitions and terminology
    - Roles and responsibilities
    - Check-off sheets or flow charts if needed
    - Instructions for required actions
    - Reporting, notifications and communications
    - Approvals
    - Review process and periodicity
    - Communication and or training requirements for new or revised procedures, processes, and or practices



**Task 4 – develop a procedure for *Grid Control Center Conduct of Operations* off-site with on-site training. (Four weeks)**

- Develop an overarching procedure that provides instructions for reliable operations to personnel operating the electric sub-transmission and distribution System. This procedure will provide expectations, standards, policies, and instructions to ensure the GCC is operated in a safe, reliable, effective and consistent manner. This operating procedure will detail responsibilities and discusses various procedures for all personnel engaged in the operation of and the performance of work on the electric sub transmission & distribution systems. This procedure will contain all the following;
  - Terminology definitions
  - Responsibilities of the GCC staff and other groups that work closely with GCC
  - Operations department organization and administration, including department goals and hierarchy
  - Operating philosophy and activities
  - Communication standard
  - Pre-switch brief process
  - Operations procedures
  - Estimated restoration time
  - Emergency operations
  - Shift coverage
  - E-911 priority fire and police response
  - Management Notifications
- SOS will develop and deliver on-site training to applicable staff on this procedure.
  - Two four-hour sessions

**Task 5 –Develop switching and tagging instructions off-site with on-site training (Four weeks)**

- Develop a process for writing switching and tagging instructions to provide personnel safety, maintain service integrity, and protect equipment used in RPU's electric system. This procedure will be followed when isolating overhead and underground sub-transmission circuits, overhead and underground distribution circuits and substation equipment

- Three-part communication
- OSHA requirements
- References
  - Approved tags
  - Approved forms
- Operating practices
  - Isolating equipment
  - Tagging/clearance for worker safety
  - Testing for worker safety
  - Non-reclosing
  - Live line work process
  - SCADA controls
  - Interconnection with other utilities
  - Delegation of controllership
- SOS will develop and deliver on-site training to applicable staff on this procedure.
  - Two four-hour sessions



**Task 6 – develop Operating Instructions for 16 RPU' Substations and Generation Sites off-site and on-site (Three weeks per substation)**

- RPU owns and operates 16 distribution substations, customer substations, and generation facilities
- SOS will develop a unique operating characteristics procedure and instructions for each substation
- SOS will collaborate with GCC and RPU System Planning and Substation Engineering to develop this procedure.

At a minimum, the procedure will cover:

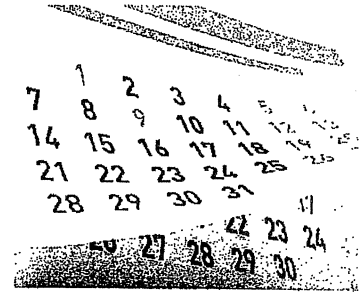
- Ownership, maintenance, and operation
- Single line diagrams
- Normal operation
- Abnormal operations
- Substation supply feeders and load limits
- Transformer load limits
- Substation distribution feeders and load limits
- SCADA remote operation
- 69KV and 15V circuit breaker operating capability
- Protection schemes
- Synchronizing, metering, and relays
- Interlock schemes
- Automatic reclose operations and throw over schemes
- Mobile substation installation information
- Normal connections
- Substation characteristics and operations

**Task 7 – develop, update or consolidate sub-transmission and distribution procedures off-site with on-site training (Three weeks per procedure)**

- SOS will develop procedures identified in task 2
- SOS will review with RPU staff and make changes based on feedback
  - SOS will provide a draft within two weeks from the date of notice to proceed with SOP development
  - RPU will provide comments within a week
  - SOS will finalize the SOP within a week after receiving comments
- SOS will develop and deliver on-site training to applicable RPU staff on the new procedures
  - o Two four-hour sessions

#### Task 8 – Project Management

- SOS shall prepare and submit a detailed project schedule for all tasks within fifteen (15) business days following the issuance of a Notice to Proceed (NTP).
- SOS will prepare initiation package prior to the kick-off meeting. The initiation package will contain:
  - SOS key staff chart with names, contact information, and responsibilities
  - Communication protocols
  - Kick-off meeting agenda
  - Work flow plan
- SOS will deliver biweekly project status reports to include detailed scope of work tasks schedules with critical milestones.
  - Will begin with a kick-off meeting and biweekly project progress review meeting until the project close out.
  - The project manager, appropriate design engineers and administrative staff shall participate in-weekly meetings to review project progress.
  - SOS will prepare and distribute meeting minutes.
- SOS will prepare a cost control sheet which shall include;
  - Allocated services budget detailing work scope, labor hours associated with each task, accumulated billable charges, total depleted budget, remaining budget, office resource expenses and invoices.
  - SOS shall update the cost control sheet monthly and send it to RPU for review along with a report detailing work progress and milestones.
  - SOS shall be responsible for utilizing cost and time control practices to mitigate any cost of runs and schedule delays.



#### SAMPLE OF PROCEDURES

##### Sample 1

### ACME Company NERC Reliability Standards

#### EOP-004-3 Event Reporting Operating Plan

Effective April 1, 2017

Background: The purpose of this Operating Plan is to comply with EOP-004-3 whose purpose is to improve the reliability of the Bulk Electric System by requiring the reporting of events by Responsible Entities. This ACME Operating Plan outlines how to identify a Reportable Event, and the necessary actions to take if a Reportable Event occurs. Reportable Events shall be reported to NERC, RRO, internal ACME personnel, the ACME Reliability Coordinator and to the appropriate government agencies, operating entities, regulatory bodies and law enforcement personnel.

Applicability: This standard applies to the ACME as a Transmission Operator (TOP).

NERC standard EOP-004 requires that ACME:

- Shall have an event reporting Operating Plan in accordance with EOP-004-3 (Attachment 2) that includes the protocol(s) for reporting to the Electric Reliability Organization, the Regional Reliability Organization, company personnel, law enforcement, or governmental authority.



**EXHIBIT "B"**  
**COMPENSATION**



- Phase 1 – SOS developed a TVA-targeted white paper to provide a benchmark for post-event response. The paper covers the potential data, documents, and questions a regulator may ask and the internal best practices that support a successful post event analysis
- Phase 2 – SOS evaluated the people, tools, procedures, and training components of TVA's control room and support staff to determine their program maturity levels, the adequacy of their internal controls, and the actionability of their procedures and tools

SOS completed all projects on time and within budget.

## EVIDENCE OF INSURANCE

Please see separate attachment for the certificate of insurance.

## BID ITEM PRICING

The following estimate is based on the scope of work and schedule presented in this proposal for a **three-year term**. If RPU requests changes to the schedule/scope of work, pricing adjustments may be necessary.

**Services are at a time and materials rate of \$200 per advisor plus actual travel expenses.**

For on-site assistance, travel time shall be charged at a rate of ½ day (4 hours) to and ½ day (4 hours) return (total of 8 hours) for each trip to RPU facilities for each Advisor, plus travel expenses, which will be billed at cost with no additional carrying charges. Actual expenses will be billed upon completion of the onsite engagements.

Item No	Item Description	Price (\$)
Item 1	Kick-off Meeting and Key Stockholder Interviews	\$44,800
Item 2	Gap Analysis	\$24,000
Item 3	Developing a Procedure for "Writing, Revising and Publishing Procedures"	\$24,000
Item 4	Developing a Procedure for "Grid Control Center Conduct of Operations" Develop and Deliver Training for GCC conduct of operations	\$43,200
Item 5	Develop Switching and Tagging Instructions Develop and Deliver Training for Switching and Tagging	\$55,200
Item 6	Developing Operating Instructions for 16 RPU's Substations and Generation Sites	
6a	Riverside	\$4,000
6b	Hunter	\$2,800
6c	University	\$1,600
6d	La Colina	\$2,000
6e	Springs	\$2,000
6f	Orangecrest	\$2,000
6g	Freeman	\$2,400
6h	Harvey Lynn	\$2,400
6i	Casa Blanca	\$1,600
6j	Plaza	\$3,000
6k	Mountain View	\$2,600
6l	RERC	\$1,400

6m	Clearwater	\$1,200
6n	ROHR	\$1,600
6o	Kaiser	\$1,400
6p	Tequestquite	\$1,000
Item 7	Developing (new/update/consolidate) Sub-transmission and Distribution Procedures	
	Develop and Deliver Training on operating procedures	\$43,200
Item 8	Project Management	\$19,200
<b>Total</b>		<b>\$286,600 for three- year term (plus travel expenses)</b>
	Expenses are estimated to be \$2,000 per on site visit per Advisor	\$16,000/year (estimated expenses per year)

## BILLING TERMS

SOS will invoice the client on a monthly basis for personnel time incurred in the prior month. SOS will bill actual travel and miscellaneous expenses as incurred. RPU will pay all invoiced amounts within 30 days of the invoice date.

## STAFF HOURLY RATE

Name	Project role	Advisor Rate/hour
Jim Stanton	Senior Advisor	\$200
Linda Perez	Project Manager, Technical Advisor	\$200
David Hilt	Technical Advisor	\$250
Andy Burch	Training Advisor	\$200
Pam Ey	Training Advisor	\$200
Bob Tomsky	Training Advisor	\$200
John Busman	Technical Advisor	\$200
Carla Fitzpatrick	Technical Advisor	\$200
Roger Kirkpatrick	Technical advisor	\$200
Steve Blume	Technical Advisor	\$200
Jane Waktins	Technical Advisor	\$200

## CONCLUSION

SOS is a quality-focused company, with an experienced and industry-savvy team capable of providing the best advisory services for a reasonable price. With our company's focus on providing the best in customer service, RPU will receive personal attention centered on providing the services requested in the most efficient and effective ways possible. SOS is ready to serve you needs and looks forward to collaborating on this exciting project.

**EXHIBIT "C"**

**KEY PERSONNEL**

6m	Clearwater	\$1,200
6n	ROHR	\$1,600
6o	Kaiser	\$1,400
6p	Tequestquite	\$1,000
Item 7	Developing (new/update/consolidate) Sub-transmission and Distribution Procedures	
	Develop and Deliver Training on operating procedures	\$43,200
Item 8	Project Management	\$19,200
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## COMPANY INFORMATION

Company Contact Information	
Kathy Cross, Account Manager <a href="mailto:Kathy.cross@sosintl.com">Kathy.cross@sosintl.com</a> 704-815-7909	SOS Intl 10715 Sikes Place, Suite 114 Charlotte, NC 28277 704-752-3534  Type of Organization: Partnership

### Company Overview

SOS is based in Charlotte, NC with employees located throughout the United States. Our clients count on decades of experience and subject matter expertise provided by our principal advisors. We offer our clients a full-service solution, in-depth knowledge, and extensive practical experience in the utility industry. Our comprehensive background spans compliance and training for NERC Reliability Standards, risk management best practices, business process planning and services, and strategic planning, advice, guidance, and awareness to help build reliability of the Bulk Electric System (BES).

SOS was established in 2002 and is owned by Rocky Sease, former Director of System Operations at GridSouth and Manager of System Control at South Carolina Electric and Gas (SCE&G).

Our advisors are experts in NERC compliance and training, holding an array of industry certifications and strong reputations as consistently customer-focused and professional. We assist and educate your staff every step of the way with minimal disruption to your routine business operations. Our process methodology provides full transparency leading to a successful advisor-client relationship as we work closely with key personnel. As NERC Standards and Requirements evolve along with regional Requirements, SOS continues to expand and enhance its compliance and risk services.

SOS has not had any pending or actual claim, lawsuit or litigation actions in the past five years.

## COMPANY PERSONNEL

The following SOS advisors have been selected for this assignment. Each team member has extensive experience in the power industry and in-depth knowledge and understanding of both the content and interpretation of the NERC and Regional Reliability Standards and Utility Operations.

### Key Project Personnel

- Jim Stanton, Director of Advisory Services
- Linda Perez, Senior Advisory Services Manager
- Dave Hilt P.E., Compliance Advisor
- John Bussman P.E., Compliance Advisor
- Andy Burch, Director of Training Services
- Bob Tomskey, Training Advisor
- Pam Ey – Training Program Strategist
- Carla Fitzpatrick, Compliance Advisor

- Roger Kirkpatrick, Training Advisor
- Steve Blume, Compliance Advisor
- Jane Watkins, Compliance Advisor

Our key project personnel have nearly 100 years of diversified utility experience in the compliance, training and regulatory arenas. The following indicates key work experience for the project personnel. Please see Appendix A for key project personnel resumes including licenses and/or certifications.

Name	Project role	Types of work experience
Jim Stanton 281.881.8369	Senior Advisor	<ul style="list-style-type: none"> <li>• Experience in plant operations, system operations, market design, RTO development, and Reliability Standards</li> <li>• Strong background in procedure development, training, gap analyses, risk-based assessments, self-reports and mitigation plans, and internal compliance programs</li> <li>• Began career working in a generation facility – familiar with all aspects of plant operations, including lock out / tag out</li> </ul>
Linda Perez 989.751.0802	Project Manager, Technical Advisor	<ul style="list-style-type: none"> <li>• Extensive experience leading, facilitating, and supporting compliance and control center operations</li> <li>• Distribution electric &amp; gas design technician for Consumers Energy</li> <li>• Distribution &amp; transmission switching and tagging instructor for Consumers Energy</li> <li>• Writes client policies, operating procedures, and guidelines to establish compliance</li> </ul>
David Hilt 618.751.0316	Technical Advisor	<ul style="list-style-type: none"> <li>• More than 40 years' experience in electric power system engineering</li> <li>• Focuses on electric grid outage settlements, FERC order 1000 opportunities, training, and transmission expansion</li> </ul>
John Busman 417.366.0395	Technical Advisor	<ul style="list-style-type: none"> <li>• John's experience includes management, regulatory compliance, operations, finance, electrical engineering design and transmission planning, power supply, strategic planning, and member communications.</li> </ul>
Andy Burch 704.815.7943	Training Advisor	<ul style="list-style-type: none"> <li>• Two decades of systematic training experience and is a NERC Certified System Operator (NCSO) holding all four certifications</li> <li>• At SOS, he is responsible for online and instructor-led training content development, including ensuring the NERC Certification: Exam Preparation program</li> </ul>
Bob Tomsy 970.846.3037	Training Advisor	<ul style="list-style-type: none"> <li>• Bob was Manager of Training for WECC where he managed and coordinated the development, implementation, and documentation of the WECC system operators' training program</li> <li>• Senior technical trainer for Xcel Energy in the Safety &amp; Technical Training Department</li> </ul>
Pam Ey 704.989.2949	Training Advisor	<ul style="list-style-type: none"> <li>• In-depth experience assisting clients in meeting and developing training programs and performance goals</li> </ul>

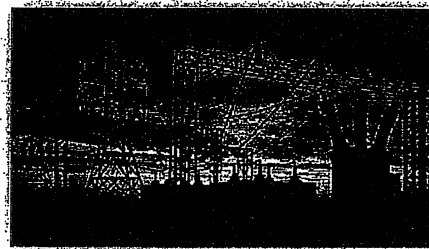
		<ul style="list-style-type: none"> <li>Created and delivered programs and workshops for utilities on a global basis.</li> <li>At SOS, she created and delivered a Procedure Writing workshop.</li> </ul>
Carla Fitzpatrick 402.250.9054	Technical Advisor	<ul style="list-style-type: none"> <li>Experience creating and maintain NERC Certification Training Programs and emergency operations procedures</li> <li>Creating and maintaining Energy Marketing and Trading training</li> </ul>
Roger Kirkpatrick 518.222.0071	Technical advisor	<ul style="list-style-type: none"> <li>Expertise in power plant operations maintenance and training, training program development, training program coordination, and abnormal and emergency operations development training</li> <li>Practice areas include training program analysis, Job Task Analysis, training program development, and capability assessments</li> </ul>
Steve Blume 760.612.8488	Technical Advisor	<ul style="list-style-type: none"> <li>Detailed experience in designing and developing high quality progressive technical training for electric power, renewable energy, and telecommunications industries for a variety of audiences</li> <li>Worked at Sierra Pacific Power Company as the Supervisor of Technical Support for the Substation Control and Test Department</li> </ul>
Jane Waktins 480.424.1257	Technical Advisor	<ul style="list-style-type: none"> <li>Created and enhanced process and procedure implementation for Generator Operators</li> <li>More than 30 years of experience to the electric utility industry, focusing on compliance, project management, and database management</li> </ul>

## EXPERIENCE AND REFERENCES

### Technical Expertise and Qualifications

#### Comprehensive Background

- NERC Reliability Standard compliance and training
- Risk management best practices
- Business process planning and services
- Strategic planning
- Reliability advice, guidance, and awareness



#### Compliance Advisor Expertise

- Performing hundreds of mock audits, compliance gap analyses, documentation development, compliance registrations, SME witness preparation, and compliance training engagements
- Staying up-to-date on the most recent NERC compliance actions
- Participating in RE Compliance Audits from both the entity and auditor perspective
- Assisting clients with the NERC mitigation and settlement process following unsuccessful compliance audits even though SOS was not engaged prior to the audit
- Identifying gaps in documentation that impact compliance, creating and administering compliance programs, cross-referencing compliance documentation, and performing other related services across many regions
- Procedure and process reviews and program development