



**INCORPORATED COUNTY OF LOS ALAMOS  
SERVICES AGREEMENT**

This **SERVICES AGREEMENT** ("Agreement") is entered into by and between the **Incorporated County of Los Alamos**, an incorporated county of the State of New Mexico ("County"), and **Crown Technical Systems** a California corporation ("Contractor"), to be effective for all purposes February 1, 2017.

**WHEREAS**, the County Purchasing Agent determined in writing that the use of competitive sealed bidding was either not practical or not advantageous to County for procurement of the Services and County issued Request for Proposals No. 17-12 ("RFP") on September 28, 2016, requesting proposals for Los Alamos New Substation and Switchgear Facility ("LASS"), as described in the RFP; and

**WHEREAS**, Contractor timely responded to the RFP by submitting a response dated November 10, 2016; and

**WHEREAS**, based on the evaluation factors set out in the RFP, Contractor was the successful Offeror for the services listed in the RFP; and

**WHEREAS**, the Board of Public Utilities approved this Agreement at a public meeting held on January 18, 2017; and

**WHEREAS**, the County Council approved this Agreement at a public meeting held on January 31, 2017; and

**WHEREAS**, Contractor will provide the Services, as described below, to County.

**NOW, THEREFORE**, for and in consideration of the premises and the covenants contained herein, County and Contractor agree as follows:

**SECTION A. SERVICES:**

**1. Contractor Services.**

The LASS project encompasses the supply and set in place at the designated worksite of an outdoor metal-clad 15 kilovolt ("KV") substation switchgear only and does not include a substation transformer nor any transmission line work. The LASS substation will be powered by Los Alamos National Laboratory's ("LANL") new 115KV "TA-3" Substation presently under design and scheduled to be on-line within the next eighteen (18) months. Department of Public Utilities ("DPU") will construct the LASS concrete pad, an incoming duct bank with two (2) feeders to power LASS and an outgoing duct bank with eight (8) feeders departing from LASS.

**2. Deliverables.**

- a. **Schedule of Project Completion.** Contractor shall submit, for County's approval, a proposed Schedule of Project Completion, showing specific relevant mile stones, such as

design drawings and specifications, equipment purchases, regulatory compliance, and other such items, within thirty (30) days of issuance of County's Notice to Proceed.

- b. Project Design Progress Report.** Within sixty (60) days of County's Notice to Proceed, Contractor shall report on project's progress, and submit to County appropriate documentation to prove that technical drawings and specifications are progressing as shown on Project Schedule of Completion, and that any longer lag-time equipment orders can be initiated as appropriate. Note: Not all drawings and specifications for the entire project have to be fully completed for certain aspects of the Project implementation to be started. Contractor shall be responsible for obtaining all necessary permits and scheduling relevant inspections.
- c. Project's Substantial Completion and Operational Start Up.** On or before September 30, 2017 or eight (8) months after Notice to Proceed, Contractor shall substantially complete the installation of all equipment as necessary for a functional facility to be commissioned and released to County for beneficial occupancy. Item 4B.1 of Exhibit "A," Cost Summary Sheet, shall include all parts, material and supplies as found in the December 13, 2016, RFP Quote Clarification. All necessary equipment testing and verification, as well as County's staff training shall be coordinated and performed prior to this time and in accordance with the approved Project Schedule of Completion. Project's warranty period shall begin on the same date as County's Certification of Substantial Completion ("CSC").
- d. Project's Final Completion.** The final completion of the project shall occur before June 24, 2018 or after LANL's TA-3 Substation powers LASS and within fifteen (15) days of County's CSC. During the fifteen (15) day time period between County's CSC, Contractor shall complete all punch list items on the list supplied by County.
- e. Project Warranty.** Contractor shall provide County with warranty as per Exhibit "A" 1.3 of the RFP.
- f. Project Cost Breakdown.** Contractor shall provide the material and equipment as set forth in the December 13, 2016, RFP Quote Clarification, unless mutually agreed to in writing between the Contractor and Owner.

**SECTION B. TERM:** The term of this Agreement shall commence on February 1, 2017 and shall continue through December 31, 2018, unless sooner terminated, as provided herein. At County's sole option the Agreement may be renewed for up to one (1) consecutive one-year period, unless sooner terminated, as provided therein.

**SECTION C. COMPENSATION:**

- 1. Amount of Compensation.** County shall pay compensation for performance of the Services in an amount not to exceed ONE MILLION FOUR HUNDRED THREE THOUSAND FOUR HUNDRED FIFTY-FIVE AND 43/100 DOLLARS (\$1,403,455.43) which amount does not include applicable New Mexico gross receipts taxes ("NMGR"). Compensation shall be paid in accordance with the cost summary sheet set out in Exhibit "A," attached hereto and made a part hereof for all purposes.
- 2. Invoices.** Contractor shall submit itemized invoices to County's Project Manager showing amount of compensation due, amount of any NMGR, and total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after County's receipt of the invoice. All disputes related to performance and payment shall be governed by County's Procurement Code, Chapter 31.

**SECTION D. TAXES:** Contractor shall be solely responsible for timely and correctly billing, collecting and remitting all NMGRT levied on the amounts payable under this Agreement.

**SECTION E. STATUS OF CONTRACTOR, STAFF, AND PERSONNEL:** This Agreement calls for the performance of services by Contractor as an independent contractor. Contractor is not an agent or employee of County and will not be considered an employee of County for any purpose. Contractor, its agents or employees shall make no representation that they are County employees, nor shall they create the appearance of being employees by using a job or position title on a name plate, business cards, or in any other manner, bearing County's name or logo. Neither Contractor nor any employee of Contractor shall be entitled to any benefits or compensation other than the compensation specified herein. Contractor shall have no authority to bind County to any agreement, contract, duty or obligation. Contractor shall make no representations that are intended to, or create the appearance of, binding County to any agreement, contract, duty, or obligation. Contractor shall have full power to continue any outside employment or business, to employ and discharge its employees or associates as it deems appropriate without interference from County; provided, however, that Contractor shall at all times during the term of this Agreement maintain the ability to perform the obligations in a professional, timely and reliable manner.

**SECTION F. STANDARD OF PERFORMANCE:** Contractor agrees and represents that it has and will maintain the personnel, experience and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the Services described herein in accordance with a standard that exceeds the industry standard of care for performance of the Services.

**SECTION G. DELIVERABLES AND USE OF DOCUMENTS:** All deliverables required under this Agreement, including material, products, reports, policies, procedures, software improvements, databases, and any other products and processes, whether in written or electronic form, shall remain the exclusive property of and shall inure to the benefit of County as works for hire; Contractor shall not use, sell, disclose, or obtain any other compensation for such works for hire. In addition, Contractor may not, with regard to all work, work product, deliverables or works for hire required by this Agreement, apply for, in its name or otherwise, any copyright, patent or other property right and acknowledges that any such property right created or developed remains the exclusive right of County. Contractor shall not use deliverables in any manner for any other purpose without the express written consent of the County.

**SECTION H. EMPLOYEES AND SUB-CONTRACTORS:** Contractor shall be solely responsible for payment of wages, salary or benefits to any and all employees or contractors retained by Contractor in the performance of the Services. Contractor agrees to indemnify, defend and hold harmless County for any and all claims that may arise from Contractor's relationship to its employees and subcontractors.

**SECTION I. INSURANCE:** Contractor shall obtain and maintain insurance of the types and in the amounts set out below throughout the term of this Agreement with an insurer acceptable to County. Contractor shall assure that all subcontractors maintain like insurance. Compliance with the terms and conditions of this Section is a condition precedent to County's obligation to pay compensation for the Services and Contractor shall not provide any Services under this Agreement unless and until Contractor has met the requirements of this Section. County requires Certificates of Insurance or other evidence acceptable to County that Contractor has met its obligation to obtain and maintain insurance and to assure that subcontractors maintain like insurance. Should any of the policies described below be cancelled before the expiration date

thereof, notice will be delivered in accordance with the policy provisions. General Liability Insurance and Automobile Liability Insurance shall name County as an additional insured.

1. **General Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate.
2. **Workers' Compensation:** In an amount as may be required by law. County may immediately terminate this Agreement if Contractor fails to comply with the Worker's Compensation Act and applicable rules when required to do so.
3. **Automobile Liability Insurance for Contractor and its Employees:** ONE MILLION DOLLARS (\$1,000,000.00) combined single limit per occurrence; TWO MILLION DOLLARS (\$2,000,000.00) aggregate on any owned, and/or non-owned motor vehicles used in performing Services under this Agreement.
4. **Errors and Omissions Insurance:** The licensed professional engineer(s) in charge of the design and field verification of construction compliance on this project shall maintain professional liability (errors and omissions) insurance in the minimum amount of ONE MILLION DOLLARS (\$1,000,000.00) to cover for design errors and omissions, within the statute of limitations for professional engineers in New Mexico.
5. **Performance Bond and Material Bond.** Each in an amount equal to the total amount of Agreement.

**SECTION J. RECORDS:** Contractor shall maintain, throughout the term of this Agreement and for a period of six (6) years thereafter, records that indicate the date, time, and nature of the services rendered. Contractor shall make available, for inspection by County, all records, books of account, memoranda, and other documents pertaining to County at any reasonable time upon request.

**SECTION K. APPLICABLE LAW:** Contractor shall abide by all applicable federal, state and local laws, regulations, and policies and shall perform the Services in accordance with all applicable laws, regulations, and policies during the term of this Agreement. In any lawsuit or legal dispute arising from the operation of this Agreement, Contractor agrees that the laws of the State of New Mexico shall govern. Venue shall be in the First Judicial District Court of New Mexico in Los Alamos County, New Mexico.

**SECTION L. NON-DISCRIMINATION:** During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of the obligations of Contractor under this Agreement, with regard to race, color, religion, sex, age, ethnicity, national origin, sexual orientation or gender identity, disability or veteran status.

**SECTION M. INDEMNITY:** Contractor shall indemnify, hold harmless and defend County, its Council members, employees, agents and representatives, from and against all liabilities, damages, claims, demands, actions (legal or equitable), and costs and expenses, including without limitation attorneys' fees, of any kind or nature, arising from Contractor's performance hereunder or breach hereof and the performance of Contractor's employees, agents, representatives and subcontractors.

**SECTION N. FORCE MAJEURE:** Neither County nor Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising

from uncontrollable forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonably avoided by exercise of due diligence.

**SECTION O. NON-ASSIGNMENT:** Contractor may not assign this Agreement or any privileges or obligations herein without the prior written consent of County.

**SECTION P. LICENSES:** Contractor shall maintain all required licenses including, without limitation, all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall assure that all of Contractor's employees and subcontractors maintain all required licenses including, without limitation, all necessary professional and business licenses.

**SECTION Q. PROHIBITED INTERESTS:** Contractor agrees that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contractor further agrees that it will not employ any person having such an interest to perform services under this Agreement. No County Council member or other elected official of County, or manager or employee of County shall solicit, demand, accept or agree to accept a gratuity or offer of employment contrary to Section 31-282 of the Los Alamos County Code.

**SECTION R. TERMINATION:**

- 1. General.** County may terminate this Agreement with or without cause upon ten (10) days prior written notice to Contractor. Upon such termination, Contractor shall be paid for Services actually completed to the satisfaction of County at the rate set out in Section C. Contractor shall render a final report of the Services performed to the date of termination and shall turn over to County originals of all materials prepared pursuant to this Agreement.
- 2. Funding.** This Agreement shall terminate without further action by County on the first day of any County fiscal year for which funds to pay compensation hereunder are not appropriated by the County Council. County shall make reasonable efforts to give Contractor at least ninety (90) days advance notice that funds have not been and are not expected to be appropriated for that purpose.

**SECTION S. NOTICE:** Any notices required under this Agreement shall be made in writing, postage prepaid to the following addresses, and shall be deemed given upon hand delivery, verified delivery by telecopy (followed by copy sent by United States Mail), or three (3) days after deposit in the United States Mail:

County:

Project Manager: Rafael De La Torre, PE  
Incorporated County of Los Alamos  
1000 Central Avenue, Suite 130  
Los Alamos, New Mexico 87544

Contractor:

Josh Carruthers, General Manager  
Crown Technical Systems  
13470 Philadelphia Avenue  
Fontana, California 92337

**SECTION T. INVALIDITY OF PRIOR AGREEMENTS:** This Agreement supersedes all prior contracts or agreements, either oral or written, that may exist between the parties with reference to the services described herein and expresses the entire agreement and understanding between the parties with reference to said services. It cannot be modified or changed by any oral promise made by any person, officer, or employee, nor shall any written modification of it be binding on County until approved in writing by both County and Contractor.

**SECTION U. CAMPAIGN CONTRIBUTION DISCLOSURE FORM:** A Campaign Contribution Disclosure Form was submitted as part of the Contractor's Response and is incorporated herein by reference for all purposes. This Section acknowledges compliance with Chapter 81 of the Laws of 2006 of the State of New Mexico.

**IN WITNESS WHEREOF,** the parties have executed this Agreement on the date(s) set forth opposite the signatures of their authorized representatives to be effective for all purposes on the date first written above.

**ATTEST**

**INCORPORATED COUNTY OF LOS ALAMOS**

\_\_\_\_\_  
**NAOMI D. MAESTAS**  
**COUNTY CLERK**

**BY:** \_\_\_\_\_  
**TIMOTHY A. GLASCO, PE** **DATE**  
**UTILITIES MANAGER**

**Approved as to form:**

\_\_\_\_\_  
**J. ALVIN LEAPHART**  
**COUNTY ATTORNEY**

**CROWN TECHNICAL SYSTEMS, A CALIFORNIA CORPORATION**

**BY:** \_\_\_\_\_  
**JOSH CARRUTHERS** **DATE**  
**GENERAL MANAGER**

Exhibit "A"  
 Cost Summary Sheet  
 AGR17-12

B216151 - LOS ALAMOS 15KV PDC

SUMMARY PRICE REV. 2

ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	EXTENDED PRICE
4A	CONTROL HOUSE BUILDING: 60'-0" L x 15'-6" W x 11'-0" INT HEIGHT	EA	1	\$318,858.60	\$318,858.60
4B.1	15 KV ARC RESISTANT TYPE 2B SWITCHGEAR LINEUP (15 CUBICLES)	LOT	1	\$921,277.32	\$921,277.32
4B.2	TRAINING AT PROJECT SITE WITH (2) CROWN ENGINEERS FOR UP TO (5) DAYS	EA	1	\$11,125.00	\$11,125.00
4B.3	COMMISSIONING TESTING. PLEASE REVIEW COVER LETTER FOR ACTUAL COMMISSIONING TESTING PLAN	EA	1	\$42,000.00	\$42,000.00
4C	UNLOADING AND ANCHORING IN LOS ALAMOS, NM	EA	1	\$32,826.80	\$32,826.80
4D	SHIPPING TO LOS ALAMOS, NM	EA	1	\$52,000.00	\$52,000.00
5	<b>OPTION B: LOAD BREAK SWITCH ADDER</b> ADDING FOUR LOAD BREAK SWITCHES IN THE REAR CELLS OF FEEDERS 52-13, 52-15, 52-17, 52-19	EA	4	\$12,261.60	\$49,046.40
6	<b>REDUCTION IN COST TO PROVIDE 300AH VRLA BATTERY AND RACK IN LIEU OF THE REQUESTED NICAD BATTERY SYSTEM AT 320AH</b>	LOT	-1	\$44,350.00	-\$44,350.00
4E	PERFORMANCE BOND	LOT	1	1.50%	\$20,671.32
<b>(OPTION-B) ARC-RES TYPE 2B SUB TOTAL</b>					<b>\$1,403,455.43</b>

REVISION NO. 1 CHANGES

REVISION NO. 2 CHANGES