



**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 **Eaton Corporation**, an Ohio corporation (“Contractor”), (collectively the “Parties,” and each, a “Party”), to be effective for all purposes February 26, 2025 (“Effective Date”).

WHEREAS, the County Purchasing Officer 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. 24-81 (“RFP”) on June 18, 2024, requesting proposals for On-Call Utility Electrical Engineering Services, as described in the RFP; and

WHEREAS, Contractor timely responded to the RFP by submitting a response dated August 2, 2024, (“Contractor’s Response”); 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, Compensation shall be paid in accordance with the rate schedule set out in Exhibit A; and

WHEREAS, the Board of Public Utilities approved this Agreement at a public meeting held on February 19, 2025; and

WHEREAS, the County Council approved this Agreement at a public meeting held on February 25, 2025; and

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

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

SECTION A. SERVICES:

1. CONTRACTOR SERVICES:

- a. Contractor shall provide On-Call Electrical Engineering Services (“EE” or “Services”), which may consist of any or all of the following Services and deliverables as agreed to by the parties by means of Approved Task Order(s):
 - i. Produce and provide engineer stamped project drawings for Electric Distribution Utility projects such as substation, underground, overhead, microgrids, solar arrays, and protection.
 - ii. Commission and acceptance testing of utility system electrical equipment to ensure systems have been properly installed and function to meet the design intent.
 - iii. Design and implement microgrid solutions to help with resilience of the system.

- iv. Design, implement, troubleshoot photovoltaic systems for utility scale implementation and maintenance.
- v. Design and implement grid modernization techniques to modernize the Distribution system by incorporating new technology and successful practices proven to work by other electric utilities into the Los Alamos Electric Distribution system.
- vi. Consultation with Electric Distribution Project Manager regarding electric distribution systems design, troubleshooting and solutions guidance.
- b. Electrical System Studies – As agreed to by the parties by means of Approved Task Order(s), Contractor shall perform:
 - i. Arc flash risk analysis to determine additional protections needed, minimum approach distances, and Personal Protective Equipment (“PPE”) required.
 - ii. Electric rate studies to determine rate structure in County to provide a revenue range to maintain, operate and upgrade the electric distribution system to ensure reliability and safety.
 - iii. Power factor studies to determine power quality throughout the electric distribution system, and with that data determine corrective solutions.
 - iv. Short circuit studies to determine the magnitude of currents that will occur during an electrical fault to include comparison of information to ratings of equipment in the field and protection devices.
 - v. Los Alamos Distribution System Analysis to analyze, simulate, and optimize the electric distribution system.
 - vi. Coordination studies to ensure that protective devices operate in a coordinated manner in the event of a fault or overload.
 - vii. System integrity studies to verify system files, configurations, and system settings.
- c. In person and remote trainings – Contractor shall provide on-site or virtual training, at times and dates as mutually agreed upon by both County and Contractor, on the following:
 - i. Operation of equipment to train employees how to use system connected equipment and devices.
 - ii. Job Safety training on safe operation of installed Utility equipment as identified in specific Task Orders.
 - iii. Interpretation training on schematics, related to installed Utility equipment.
- d. Contractor shall provide substation and field equipment compliance and maintenance services on equipment deployed by Los Alamos County Electric Distribution, and manufactured by Eaton, ABB, Square D, Siemens, Schweitzer, S&C, and G.E., in the field, and substations Contractor shall have and maintain the following:
 - i. Appropriate qualifications and licensure to test and maintain Eaton, ABB, Square D, Siemens, Schweitzer, S&C, and G.E. brand equipment.
 - ii. Appropriate qualifications to perform work on substation equipment rated 115k volts to 15k volts.
 - iii. Appropriate qualifications to perform work on 15k volt field equipment: switch cabinets, transformers, vaults, overhead system equipment, and underground system equipment.
- e. Contractor shall provide maintenance for Los Alamos Electric Distribution system, according to the maintenance schedule as set out in Exhibit B, to include the following:
 - i. Electric equipment survey of substation site equipment
 - ii. Electric/Mechanical equipment Cleaning
 - iii. Electric/Mechanical equipment Maintenance
 - iv. Electric/Mechanical equipment Testing
 - v. Electric/Mechanical equipment Acceptance Testing

- vi. Electric/Mechanical equipment Replacement (replacement equipment to be procured under separate contracts)
- vii. Electric/Mechanical equipment Installation Support
- viii. Electric/Mechanical equipment Compliance Reports
- ix. Electric/Mechanical equipment Oil Samples
- x. Electric Distribution old equipment disposal

2. **CONTRACTOR QUALIFICATIONS**

- a. Contractor shall have and maintain throughout the term of this Agreement the following qualifications, to the extent applicable to the Approved Task Order: NM Electrical Professional Engineer with experience in 115KV electrical transmission and 15KV distribution engineering; 115KV - 15KV substation design and commissioning; 15KV distribution system planning; and 15KV construction design of power distribution in accordance with RUS Standards.
- b. Contractor shall be required to have and maintain appropriate qualifications and licensure to:
 - i. Test and maintain Eaton, ABB, Square D, Siemens, Schweitzer, S&C, and G.E. brand equipment.
 - ii. Perform work on substation equipment rated 115k volts to 15k volt
 - iii. Perform work on 15k volt field equipment: switch cabinets, transformers, vaults, overhead system equipment and underground system equipment.

3. **WORKER SAFETY; Drug and Alcohol Testing.** Contractor may be required to implement and maintain a drug and alcohol testing program meeting or exceeding local County Code requirements and State and Federal Department of Transportation rules and regulations. The need will be determined on a Task Order basis, by County Project Manager. Upon County's request, Contractor shall provide to County's Project Manager a letter signed by a Human Resources manager which outlines Contractor's background check and drug screening requirements that every Contractor employee is subject to as a condition of employment.

4. **TASK ORDER PROCESS**

- a. All Services shall be performed by an Approved Task Order. County shall make reasonable efforts to generally provide at least two (2) weeks' notice to Contractor for the Services required under any Task Order. Approved Task Orders shall be priced by Contractor on a regular five (5) day schedule, Monday through Friday, forty (40) hours per week, unless otherwise agreed by both Parties. Each Approved Task Order will be a separate agreement between Contractor and County. Each Approved Task Order will reference this Agreement and will describe the Services that Contractor will provide, the prices that County will pay as set forth in this Agreement, and other transaction-specific terms (including such other commercial terms and conditions relating to the Services as the Parties may agree). No obligation to purchase or to provide any Services is created under or pursuant to this Agreement except through a mutually and fully executed Approved Task Order in writing.
- b. Before issuing a Task Order, County's Project Manager shall request the Services of Contractor for individual or multiple projects through a written Request for Quote(s). Each Request for Quote(s) shall identify the services required, generally describe the project and provide a timeline for Project completion. A Request for Quote(s) may be as detailed as County finds necessary to assure appropriate oversight of the services to be performed. A sample Task Order is provided as Exhibit C.
- c. Upon the County's issuance of a Request for Quote(s), Contractor shall provide a written, itemized Quote for the task(s), and/or services requested by Project Manager ("Quote"). The Quote shall provide, in writing, the billing classification and hourly rate to complete the Task Order. Cost shall conform to the rates proposed by Contractor

and agreed to by County as a not-to-exceed fixed price. Any progress billing and payment shall be provided by Contractor in the Quote and is subject to approval by Project Manager. Preparation and work performed to prepare Quotes shall be considered incidental to this Agreement and not compensable.

- d. If Contractor's Quote is signed by Contractor and acceptable to County, the Project Manager shall provide the Contractor with a copy of the fully endorsed written Task Order ("Task Order"). After receipt and mutual agreement and execution by the parties of the Task Order (a mutually agreed and signed Task Order is referenced herein as an "Approved Task Order"), County and Contractor shall schedule the Services. Contractor is authorized to begin work on any particular phase / task only upon receipt of the Approved Task Order. The Contractor will be required to conform with the requirements detailed in the Approved Task Order and move through the various design phases. Approved Task Orders shall be numbered sequentially (TO1, TO2, etc.).
- e. If the Contractor is unable to provide, in the determination of the Project Manager, the full scope of the proposed Task Order work, the Project Manager may alter, change, modify, or cancel the Request for Quote. An Approved Task Order shall be changed only upon the written agreement of both parties after a finding that a change to the Approved Task Order is necessary and justifiable. Contractor's failure to reasonably estimate the cost of completing the task in the first instance shall not be a justification for modifying the Approved Task Order. Modifications to the maximum amount for the Approved Task Order shall be agreed upon by both parties prior to Contractor continuing the performance of Services. Modifications shall follow the previous Approved Task Order nomenclature with letters following (TO1A, TO1B, etc.).
- f. Contractor must take all commercially reasonable actions to timely complete the work agreed to in the Approved Task Order, including but not limited to subcontracting the work. Costs for any sub-contractors are the responsibility of the Contractor.
- g. This Agreement does not provide the Contractor with a guarantee that County will accept Contractor's Quotes and award Contractor any Approved Task Orders. County reserves the right, at its sole discretion, to separately quote or bid any project. County's issuance of a written Request for Quote(s) is not a guarantee of work to Contractor. County, at its sole discretion, shall determine when Contractor's Services are required and shall issue written Request for Quote(s) as needed.
- h. The amount payable by County shall in every instance be based on the firm-fixed price for the Services satisfactorily rendered, or as the mutually-agreed percentage of the payment schedule applicable to the phase of the task, in an amount not to exceed the maximum amount shown on the Approved Task Order by phase. "Satisfactorily rendered" means performed in accordance with the Approved Task Order.
- i. Contractor may be required to attend Council and other public meetings, provided the following requirements are met: (a) The County shall identify the meetings at least two (2) weeks in advance of when the meeting is set to occur; (b) The Contractor shall include the costs for attendance in the maximum amount of the Task Order, based on the hourly rates agreed to; and (c) the County shall issue an Approved Task Order including such costs before the meeting is set to occur. In the event that it is determined after issuance of any Task Order that meeting attendance is required, County shall inform Contractor of such, and Contractor shall bill the County, accordingly, based on the hourly rates as agreed.
- j. If a Service in an Approved Task Order is canceled, delayed, rescheduled, or postponed by County within 5 days or less of when the Service is scheduled to occur, Contractor reserves the right to assess a charge for actual costs incurred by Contractor to demobilize. Any delays beyond Contractor's control affecting the performance of an Approved Task Order will be documented and communicated to the County, see force majeure section.

- k. Changes to an Approved Task Order may only be made by the mutual written agreement of the Parties.

5. COUNTY RESPONSIBILITIES. As related to issued Task Orders, County shall provide relevant plans, documents, studies, reports, and drawings as requested by Contractor if available. The failure or omission of Contractor to examine any County provided document, form or instrument shall in no way relieve Contractor from any obligation with respect to this Agreement or any executed Task Order.

SECTION B. TERM: The term of this Agreement shall commence February 26, 2025, and shall continue through February 25, 2030, unless sooner terminated, as provided herein. By mutual written agreement, the parties may renew the term of this Agreement for up to (2) two consecutive one-year period(s), unless sooner terminated as provided herein.

SECTION C. COMPENSATION:

1) Amount of Compensation.

- a) County shall pay compensation for performance of the Services by this Contractor, over the entire Term of the Agreement, in an amount for cumulative Approved Task Orders not to exceed SEVEN MILLION US DOLLARS (\$7,000,000.00), which amount does not include applicable New Mexico gross receipts taxes (“NMGRT”). Compensation shall be paid in accordance with the rate schedule set out in Exhibit A, attached hereto and made a part hereof for all purposes.
- b) Individual Task Orders that exceed ONE HUNDRED THOUSAND US DOLLARS (\$100,000.00) shall require Board of Public Utilities approval, and Task Orders that exceed THREE HUNDRED THOUSAND US DOLLARS (\$300,000.00) shall also require County Council approval.

2. Monthly Invoices. Contractor shall submit itemized invoices, as determined by individual Approved Task Orders, to County’s Project Manager showing amount of compensation due, amount of any NMGRT, and total amount payable. County shall pay Contractor all undisputed amounts due within thirty (30) days after County’s receipt of the invoice.

SECTION D. TAXES: Contractor shall be solely responsible for timely and correctly billing and collecting from the County, and remitting, all applicable NMGRT levied on the amounts payable under this Agreement. County shall provide Contractor with an executed Nontaxable Transaction Certificate before Contractor commences any Services 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 shall 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; WARRANTIES: Contractor agrees and represents that it has and shall maintain the personnel, experience, and knowledge necessary to qualify it for the particular duties to be performed under this Agreement.

1. Warranty for Services: Contractor shall perform the Services described herein in accordance with generally accepted professional standards. The Services, which do not so conform, shall be corrected by Contractor upon notification in writing by the County within one (1) year after completion of the Services. Unless otherwise agreed to in writing by Contractor, Contractor assumes no responsibility with respect to the suitability of the County's, or its customer's, equipment or with respect to any latent defects in equipment not supplied by Contractor. This warranty does not cover damage to the County's, or its customer's, equipment, components or parts resulting in whole, or in part from improper maintenance or operation (including failure to comply with Contractor's recommendations) or from their deteriorated condition. County will, at its cost, provide Contractor with unobstructed access to the defective Services, as well as adequate free working space in the immediate vicinity of the defective Services and such facilities and systems, including, without limitation, docks, cranes and utility disconnects and connects, as may be necessary in order that Contractor may perform its warranty obligations. The conducting of any tests shall be mutually agreed upon and Contractor shall be notified of, and may be present at, all tests that may be made.

2. Warranty for Power Systems Studies: Contractor warrants that any power systems studies performed by it will conform to generally accepted professional standards. Any portion of the study, which does not so conform, shall be corrected by Contractor upon notification in writing by the County within six (6) months after completion of the study. All warranty work shall be performed in a single shift straight time basis Monday through Friday. In the event that the study requires correction of warranty items on an overtime schedule, such overtime to be charged to the County shall be mutually agreed upon by both parties.

3. THE FOREGOING WARRANTIES ARE EXCLUSIVE. CONTRACTOR DISCLAIMS ALL OTHER WARRANTIES. CORRECTION OF NON-CONFORMITIES IN THE MANNER AND FOR THE PERIOD OF TIME PROVIDED ABOVE SHALL CONSTITUTE CONTRACTOR'S SOLE LIABILITY AND COUNTY'S EXCLUSIVE REMEDY FOR FAILURE OF CONTRACTOR TO MEET ITS WARRANTY OBLIGATIONS, WHETHER CLAIMS OF COUNTY ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), OR OTHERWISE.

SECTION G. DELIVERABLES AND USE OF DOCUMENTS:

1. Background Intellectual Property: Subject to any rights, title or interests expressly granted by the Agreement, each Party shall retain sole ownership of all Intellectual Property that (a) was the property of one Party prior to the Effective Date, or (b) is independently developed or acquired outside the scope of this Agreement. Neither Party shall acquire any right, title, or interest in or to any Intellectual Property of the other Party unless otherwise expressly provided herein. "Intellectual Property" means all inventions, patents, patent applications, know-how, trade secrets, design rights, copyrights, trademarks, and other proprietary rights relating to intangible property.

2. Developed Intellectual Property: All Intellectual Property independently developed in performance of this Agreement and not part of a work-for-hire or a deliverable under this Contract, by Contractor, shall remain the sole property of Contractor, unless otherwise agreed to in writing by the Parties.

3. Ownership of Deliverables: Upon delivery of Services and deliverables by Contractor to County and fulfillment of County's payment obligations to Contractor, County shall own the deliverables. . For avoidance of doubt, Contractor does not grant County a license to any of Contractor's brands, logos, designs, trade dress, service marks, trademarks, domain names or trade names, in whole or in part.

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 wage and payment 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 insurers with an A.M. Best rating of A- /IX or equivalent, and who are licensed to conduct business in all states/countries where this Agreement applies. Contractor shall assure that all subcontractors maintain like insurance. 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 stating that Contractor has met its obligation to obtain and maintain insurance. Should any of the policies described below be cancelled before the expiration date thereof, notice shall be delivered in accordance with the policy provisions. General Liability Insurance, Automobile Liability Insurance and Professional Liability Insurance shall name County as an additional insured to the extent of Contractor's indemnification obligations under this Agreement.

1. **General Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00) per occurrence; ONE MILLION DOLLARS (\$1,000,000.00) 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 for any owned, hired, and/or non-owned motor vehicles used in performing Services under this Agreement.
4. **Professional Liability Insurance:** ONE MILLION DOLLARS (\$1,000,000.00). Professional Liability Insurance shall provide coverage for Services provided hereunder during the term of this Agreement and for a period of at least three (3) years thereafter.

SECTION J. RECORDS: With the exception of orders quoted on a fixed-fee basis and excluding Contractor's proprietary, cost and financial accounting data, Contractor shall maintain in accordance with generally accepted accounting practices, 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 the Services rendered, excluding any records which Contractor considers proprietary and/or confidential, at any mutually agreed time and place at Contractor's facility during normal business hours at County's sole cost and expense.

SECTION K. DUTY TO ABIDE: 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.

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. CHOICE OF LAW: The interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

SECTION N. VENUE, FORUM NON-CONVENIENS, EXCLUSIVE STATE JURISDICTION: County and Contractor knowingly, voluntarily, intentionally, and irrevocably agree that any and all legal proceedings related to this Agreement, or to any rights or any relationship between the parties arising therefrom, shall be solely and exclusively initiated, filed, tried, and maintained in the First Judicial District Court of the State of New Mexico. County and Contractor each expressly and irrevocably waive any right otherwise provided by any applicable law to remove the matter to any other state or federal venue, consents to the jurisdiction of the First Judicial District Court of the State of New Mexico in any such legal proceeding, waives any objection it may have to the laying of the jurisdiction of any such legal proceeding. County and Contractor also agree that this term is a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this term with legal counsel.

SECTION O. WAIVER OF JURY TRIAL: In the event of any action or proceeding, (including without limitation, any claim, counterclaim, cross-claim or third party claim) arising out of or relating to this Agreement, or the transaction contemplated by this Agreement, County and Contractor KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL, and agree that a court shall determine and adjudicate all issues of law and fact with a jury trial being expressly waived. County and Contractor also agree that this waiver of a jury trial was a material inducement for each to enter this Agreement, and that both County and Contractor warrant and represent that each have had the opportunity to review this jury waiver with legal counsel.

SECTION P. INDEMNITY; LIMITATION OF LIABILITY:

Indemnity: Contractor shall indemnify, defend, and hold harmless County, its Council members, employees, agents, and representatives (“Indemnified Parties”), from and against all liability, claims, demands, actions (legal or equitable), damages, losses, costs, or expenses, including attorney fees, of any kind or nature, brought against the Indemnified Parties to the extent that the liability, claims, demands, actions, damages, losses, costs, and expenses result directly from bodily injury to or death of any person or damage to or destruction of any property, caused by the negligent acts or omissions of the Contractor, including Contractor’s officers, employees, and agents, in the performance of the Services under this Agreement or for Contractor’s violation of federal or state law, regulation, order, rule or of any other governmental authority having jurisdiction while engaged in such performance. Contractor will not be required to provide these indemnity obligations to the extent such claims were caused by the negligent acts or omissions of the Indemnified Party, or for the Indemnified Party’s violation of federal or state law, regulation, order, rule or of any other governmental authority. The Indemnified Party shall cooperate in a reasonable manner to provide information and access to personnel related to the defense of any indemnified claim.

Limitation of Liability: EXCEPT FOR CONTRACTOR’S LIABILITY FOR INDEMNITY AS SET FORTH ABOVE IN THIS SECTION P, IN NO EVENT SHALL CONTRACTOR BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR LOSS OF PROFITS OR REVENUE, LOSS OF DATA, OR COST OF CAPITAL, OR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER,

REGARDLESS OF WHETHER SUCH POTENTIAL DAMAGES ARE FORESEEABLE OR IF CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

EXCEPT FOR CONTRACTOR'S LIABILITY FOR INDEMNITY AS SET FORTH ABOVE IN THIS SECTION P, THE TOTAL CUMULATIVE LIABILITY OF CONTRACTOR ARISING FROM OR RELATED TO THIS CONTRACT, WHETHER THE CLAIMS ARE BASED IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL NOT EXCEED \$1,000,000.00.

SECTION Q. 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; provided, however, that the Party failing to perform shall (i) as soon as possible, inform the other Party of the occurrence of the circumstances preventing or delaying the performance of its obligations, and describe at a reasonable level of detail the circumstances causing such delay, and (ii) exert reasonable efforts to eliminate, cure, or overcome any of such causes and to resume performance of its Services with all possible speed. In such event, the non-performing Party may be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such Party continues to use its best efforts to recommence performance or observance whenever and to whatever extent possible without delay.

SECTION R. NON-ASSIGNMENT: Contractor shall not assign this Agreement or any privileges or obligations herein and shall not novate this Agreement to another without the prior written consent of the County Utilities Manager, which shall not be unreasonably withheld.

SECTION S. 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 T. PROHIBITED INTERESTS: Contractor agrees that to the best of its knowledge and belief, it presently has no material interest and shall not acquire any material interest, direct or indirect, which would conflict in any manner or degree with the performance of its Services hereunder. Contractor further agrees that it shall not, to the best of its knowledge and belief, 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 U. TERMINATION:

- 1. Without Cause.** The County Utilities Manager may terminate this Agreement for convenience with thirty (30) days' prior written notice to Contractor. In the event of such early termination, County shall pay Contractor for Services actually completed to the reasonable satisfaction of County at the rate set out in Section C, together with the reasonable, direct costs incurred as a result of such early termination.
- 2. With Cause.** Either party may terminate this Agreement or any Approved Task Order(s), in whole or in part, as of the date specified in a written notice of termination if the other party materially breaches its obligations under this Agreement or any Approved Task Order and does not cure that breach within thirty (30) days after receiving the non-breaching party's notice. In the event of such early termination, County shall pay Contractor for Services actually completed to the reasonable satisfaction of County at the rate set out in Section C,

and in the case of Contractor's termination due to County's breach, County shall also pay Contractor for the reasonable, direct costs incurred as a result of such early termination.

- 3. 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 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 V. NOTICE: Unless otherwise provided in this Agreement, any notices required under this Agreement shall be made in writing. Notices shall be sent via 1) hand-delivery; 2) registered or certified mail; 3) a nationally recognized overnight courier service; or 4) electronic mail (with copy by mail or courier). All notices shall be sent to each party at the addresses set out in this section or any address later provided by such party in writing, with postage prepaid by the sender, and shall be deemed delivered upon hand delivery, verified proof of delivery by courier, or three (3) days after deposit in the United States Mail.

County:

Mariano Montoya
Incorporated County of Los Alamos
101 Camino Entrada, Building 5
Los Alamos, New Mexico 87544
E-mail: Mariano.montoya@lacnm.us

Contractor:

Isaiah A. Martinez, Service Sales Engineer
Eaton Corporation
3810 Rutledge Rd. NE, Suite B
Albuquerque, New Mexico 87109
E-mail: isaiahmartinez@eaton.com

With a copy to:

County Attorney's Office
1000 Central Avenue, Suite 340
Los Alamos, New Mexico 87544

E-mail: ~attorney@lacnm.us

With a copy to:

Eaton Corporation
Attn: Law Department
1000 Eaton Boulevard
Cleveland, OH 44122

E-mail: CorporateLaw1@eaton.com

SECTION W. 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 either Party until approved in writing by both authorized representatives of County and Contractor. In the event of any conflict between the terms, conditions, and provisions of this Agreement, and the terms, conditions and provisions of any exhibits or attachments, the terms, conditions and provisions of this Agreement shall control and take precedence.

SECTION X. NO IMPLIED WAIVERS; REMEDIES: The failure of either Party to enforce any provision of this Agreement is not a waiver by such Party of the provisions, or of the right thereafter, to enforce any provision(s). A delay or omission by County or Contractor to exercise any right or power under this Agreement will not be construed to be a waiver of that right or power. Waiving one breach will not be construed to waive any succeeding breach. Except as specifically stated otherwise in this Agreement, County shall have all rights and remedies provided under law or equity. However, where stated, remedies provided herein are exclusive.

SECTION Y. SEVERABILITY: If any provision of this Agreement is held to be unenforceable for any reason: (i) such provision shall be reformed only to the extent necessary to make the intent of the language and purpose of the Agreement enforceable; and (ii) all other provisions of this Agreement shall remain in effect so long as the substantive purpose of the Agreement is possible.

SECTION Z. 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.

SECTION AA. LEGAL RECOGNITION OF ELECTRONIC SIGNATURES: Pursuant to NMSA 1978 § 14-16-7, this Agreement may be signed by electronic signature.

SECTION AB. DUPLICATE ORIGINAL DOCUMENTS: This document may be executed in two (2) counterparts, each of which shall be deemed an original.

SECTION AC. NEGOTIATED TERMS: This Agreement reflects negotiated terms between the Parties, and each Party has participated in the preparation of this Agreement with the opportunity to be represented by counsel, such that neither Party shall be considered to be the drafter of this Agreement or any of its provisions for the purpose of any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Agreement.

SECTION AD. CONFIDENTIALITY: Each Party acknowledges that it may, in the course of performance of this Agreement, be exposed to or acquire information which is proprietary to or confidential to the other Party, including but not limited to, data relating to the products, equipment, inventions, discoveries, trade secrets, secret processes, financial data, computer software, know-how, methods, marketing information and any other data or information in any form relating to the business affairs of either Party ("Confidential Information"). If such Confidential Information is clearly marked as being Confidential Information, physically or electronically, the Parties agree to hold the Confidential Information in strict confidence and not to use the Confidential Information for its own benefit or disclose it to third Parties without the written consent of the other Party. Confidential Information shall not include information that: (i) is already publicly available at the time of disclosure; (ii) is disclosed to recipient by a third party who is not in breach of an obligation of confidentiality; (iii) becomes publicly available after disclosure through no act of the recipient; (iv) is released in writing from the confidentiality and non-use restrictions of this Agreement by the disclosing Party; (v) is independently developed by the receiving Party without reference to or use of any Confidential Information of the disclosing Party; or (vi) is required to be disclosed pursuant to an applicable law, rule, regulation, government requirement or court order, or the rules of any stock exchange, provided however that the receiving Party shall advise the disclosing Party of such required disclosure promptly upon learning thereof in order to afford the disclosing Party a reasonable opportunity to contest, limit and/or assist the receiving Party in crafting such disclosure.

AE. SURVIVAL: After this Agreement or any Approved Task Order terminates, the terms of this Agreement and Approved Task Order that expressly or by their nature contemplate performance after termination or expiration will survive and continue in full force and effect, including but not limited to, provisions protecting Confidential Information, setting forth and limitations of liability each, notices, governing law and jurisdiction.

**Exhibit A
Compensation Rate Schedule
AGR24-81**

Service Classifications	Year 1 Hourly Rate	Year 2* Hourly Rate	Year 3* Hourly Rate	Year 4* Hourly Rate	Year 5* Hourly Rate	Year 6* Hourly Rate	Year 7* Hourly Rate
Field Service Technician	\$258.00	\$268.32	\$279.05	\$290.21	\$301.82	\$313.90	\$326.45
Field Service Specialist	\$326.00	\$269.36	\$280.13	\$291.34	\$302.99	\$315.11	\$327.72
Power Automation Specialist	\$430.00	\$270.40	\$281.22	\$292.46	\$304.16	\$316.33	\$328.98
Power Systems Engineer	\$430.00	\$271.44	\$282.30	\$293.59	\$305.33	\$317.55	\$330.25
CAD Technician	\$182.00	\$272.48	\$283.38	\$294.71	\$306.50	\$318.76	\$331.51
Project Coordinator	\$233.00	\$273.52	\$284.46	\$295.84	\$307.67	\$319.98	\$332.78
Construction Manager	\$361.00	\$274.56	\$285.54	\$296.96	\$308.84	\$321.20	\$334.04
Design Engineer	\$361.00	\$275.60	\$286.62	\$298.09	\$310.01	\$322.41	\$335.31
Project Manager	\$426.00	\$276.64	\$287.71	\$299.21	\$311.18	\$323.63	\$336.57
Principal Engineer	\$426.00	\$277.68	\$288.79	\$300.34	\$312.35	\$324.85	\$337.84
Safety Specialist	\$426.00	\$278.72	\$289.87	\$301.46	\$313.52	\$326.06	\$339.11
Excitation Specialist	\$519.00	\$279.76	\$290.95	\$302.59	\$314.69	\$327.28	\$340.37

*A 4% cost increase per year has been included in hourly rates shown beginning in year 2.

Time Classifications: The following time classifications apply to the above mentioned hourly rates:

- **Straight time:** Monday through Friday, normal business hours up to 8 hours
- **Overtime:** Monday through Friday, hours in excess of 8 hours, to 12 hours, or outside of normal business hours and Saturday up to 8 hours
- **Premium:** Monday through Friday, more than 12 hours, Saturday more than 8 hours, Sundays, and holidays

An emergency surcharge of 15% may apply to field work not previously scheduled at least 3 working days before work commencement.

Minimum Billing

Technicians and field service specialists are billed at a 4-hour minimum for travel and services performed in 1–4 hours. For technician and field travel and services performed over 4 hours, the time classifications and hourly rates stated above will apply.

Additional Expenses

Equipment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Rental equipment (Cost	Cost	Cost	Cost	Cost	Cost	Cost
Crane services	Cost	Cost	Cost	Cost	Cost	Cost	Cost
Expenses	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Lodging (\$/night)	\$140.00	\$144.20	\$148.53	\$152.98	\$157.57	\$162.30	\$167.17
Meals (\$/day)	\$60.00	\$61.80	\$63.65	\$65.56	\$67.53	\$69.56	\$71.64
3rd Party Materials	Cost	Cost	Cost	Cost	Cost	Cost	Cost
Mileage (standard vehicle)	\$2.40/mile	\$2.47/mi	\$2.55/mi	\$2.62/mi	\$2.70/mi	\$2.78/mi	\$2.87/mi

***Travel Guidelines:**

Contractor should note that they will be expected to adhere to the Travel Guidelines described below, which shall be included in the Agreement with the Offeror.

Unless otherwise Proposed in Offeror RFP response and agreed to by County, Contractor’s travel expenses shall be charged at actual cost, copies of all travel expenses must accompany invoices submitted to County, and shall only include the following:

1. The most economical means of transportation shall be used, commercial airlines coach fare rates;
2. Business-related tolls and parking fees;
3. Rental car, taxi service or shuttle services;
4. Mileage shall be reimbursed at the standard mileage rate for business miles driven as established from time to time by the Internal Revenue Service;
5. Hotel or motel lodging;
6. Meals, per Los Alamos County Travel Policy, currently \$60.00 per diem daily;
7. Internet connectivity charges;
8. Any other reasonable costs directly associated with conducting business with County.
9. If reimbursement for lodging or airfare is sought and no receipt is furnished by Offeror showing the actual cost, the travel expense shall be deemed unreasonable and unreimbursable.

Travel Expenses not allowed are as follows:

1. Entertainment; in-room movies, games, etc. and
2. Alcoholic beverages, mini bar refreshments or tobacco products.

**Exhibit B
Proposed Maintenance Schedule
AGR24-81**

EESS PREVENTATIVE MAINTENANCE RECOMMENDATIONS *				
<p>* The following chart shows the EESS recommendations for a time based preventative program that should be performed at a minimum. OSHA requirements for safety may alter this information and should be followed in those instances. Customers insurance company, internal programs or manufacturers recommendations may have additional requirements that need to be incorporated into any final maintenance program</p>				
	Mechanical Operation Check (by site personnel)	Visual Inspection Energized (by site personnel)	Infrared Inspection Energized	Testing de-energized
Low Voltage Equipment				
Dry type transformers				
Ventilated		1 year	1 year	3 years
Non-ventilated		1 year	1 year	3 years
Switchgear				
Indoor		6 months	1 year	3 years
Outdoor		monthly	1 year	3 years
Drawout type circuit breakers				
Air break	1 year	1 year	1 year	3 year max*
Circuit Breaker Overcurrent				
Series and Solid State type				3 year max *
Oil immersed	1 year	1 year	1 year	3 year max*
Insulated Case	1 year	1 year	1 year	3 year max *
Medium Voltage Equipment				
Liquid filled transformers				
Oil Sealed tank, conservator and Gas Sealed Systems		1 year	1 year	3 years
Oil Samples				
Transformer in Normal service				1 year
Transformer, Rectifier				6 months
Transformer, ARC				3 months
Dissolved gas in oil				Same as oil test
Oil Sample Breaker				2 years
Tap Changer				6 months
Dry type transformers				
Ventilated indoors		6 months	1 year	3 years
Metal-clad switchgear				
Indoor		6 months	1 year	3 years
Outdoor		6 months	1 year	3 years
Circuit Breakers				
Air break Drawout Type	1 year	1 year	1 year	3 year max *
Air break Fixed	1 year	1 year	1 year	3 year max*
Air Blast	1 year	1 year	1 year	3 year max*
Oil immersed Drawout Type	1 year	1 year	1 year	3 year max*
Oil immersed Fixed Type	1 year	1 year	1 year	3 year max*
Pneumatically Operated	1 year	1 year	1 year	3 years
Hydraulically Operated usually	1 year	1 year	1 year	3 years
Vacuum	1 year	1 year	1 year	3 years
Metal-enclosed switches				
Indoor Air		6 months	1 year	3 years

Outdoor Air		6 months	1 year	3 years
Oil and Gas		1 year	1 year	3 years
Main Buses (when feasible)				
Indoor		1 year	1 year	3 years

*or at manufacturer's maximum number of operations since previous maintenance, whichever occurs first - Immediately after breaker opens to interrupt a serious fault

Frequency of Maintenance Adjustments:

- Located in clean AC room: Extend by 30%
- High dust or corrosive vapor: reduce by 50%
- Continuously operated: extend by 10-20%
- Stand-by operation: reduced by 20-40%
- double frequency upon failures
- Do Not Reduce before 4 Maintenance Cycles
 - Monitor Trends and Make decisions on Data
 - Consider Cost vs. Risk/Benefit

**Exhibit C
Task Order
AGR24-81**

TASK ORDER #XX

**COUNTY OF LOS ALAMOS UTILITIES DEPARTMENT
AGREEMENT AGR24-81
EATON CORPORATION
DATE**

PROJECT TITLE:

Description:

Estimated Project Term: XX Days

Bid item XX, Description, Units, Unit Cost	\$ XX.XX
Bid item XX, Description, Units, Unit Cost	\$ XX.XX
Bid item XX, Description, Units, Unit Cost	\$ XX.XX
Bid item XX, Description, Units, Unit Cost	\$ XX.XX

Sub-total.....= \$ XX.XX

GRT 7.0625%.....= \$ XX.XX

Estimated Construction Cost:..... \$ XX.XX (including GRT)

Charge Code Number: XX-XX

Acceptance of Conditions and Items of Work

Department of Public Utilities: _____
Name Date

Eaton Corporation _____
Date

Name: _____
Print