



August 16, 2018

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVAL OF PROPOSED AMENDMENT NO. 1 OF CONTRACT NO. 17-026 AND PROPOSED AMENDMENT NO. 1 TO CONTRACT NO. 17-027; BOTH WITH INSTRUMENT CONTROL SERVICES, INC., FOR SUPERVISORY CONTROL AND DATA ACQUISITION SERVICES AND ELECTRICAL SERVICES, RESPECTIVELY, TO INCREASE THE TOTAL COMPENSATION AND TO EXTEND THE TERM OF EACH CONTRACT

RECOMMENDATION

Approve, and authorize the Board Chair to sign, proposed Amendment No. 1 Contract No. 17-026 with Instrument Control Services, Inc. and proposed Amendment No. 1 to Contract 17-027 with Instrument Control Services, Inc. to extend the terms of each by one year through June 30, 2019 and to increase the total compensation of each by \$25,000.

FISCAL IMPACT

This proposed expenditures are included in the adopted FY2019 District budget under accounts 25-401-52186-400300, 25-451-52186-400802, 25-452-52186-400800, and 25-410-52186-411500.

BACKGROUND/ANALYSIS

In 2017, the District procured annual services for instrumentation controls and electrical work under Part III, Section 304 (Supplies, Equipment & Services Purchasing Procedure; Annual Contracts for Supplies, Equipment & Services) of VRSD Purchasing Resolution No. 89-13. The District received competing quotes for these services at that time under separate bids, and Instrument Control Services, Incl. (ICS) provided the lowest bid in each case.

ICS has provided the cost-effective and timely response to the District's needs for the several years. ICS also partnered with operations staff to repair damage to some of the electrical and communications systems during the Thomas Fire. The intent of these annual services contracts is to provide on-call controls related (17-026) and electrical (17-027) services as they are needed with the flare and blower systems at the Toland Road and Oxnard landfills.

Therefore, staff followed Part III, Section 302 (Supplies, Equipment & Services Purchasing Procedure; Negotiated Procurement) of Purchasing Resolution No. 89-13 to procure another year of services from ICS under the two proposed Contract amendments.

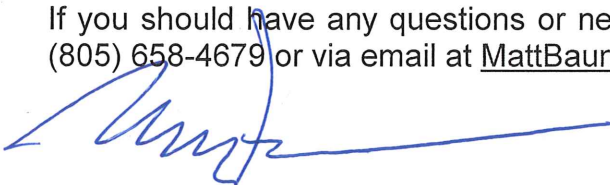
CURRENT PROPOSAL

For FY2018-19, VRSD staff would like to continue to retain Instrument Control Services, Inc. for the following areas of work:

- (1) On-call controls related services (VRSD Contract No. 17-026);
- (2) On-call electrical services (VRSD Contract No. 17-027).

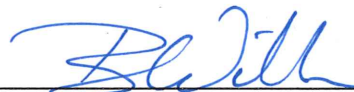
This letter and the associated contract have been reviewed by Legal Counsel as to form.

If you should have any questions or need additional information, please contact me at (805) 658-4679 or via email at MattBaumgardner@vrsd.com.



MATT BAUMGARDNER, DIRECTOR OF OPERATIONS

APPROVED FOR FUNDS AVAILABLE:



Regina Williams, Interim Director of Finance

APPROVED FOR AUGUST 16, 2018 AGENDA:



Chris Theisen, General Manager

Attachments:

1. Amendment No. 1 to Contract No. 17-026
2. Amendment No. 1 to Contract No. 17-027

**VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 17-026-1**

AMENDMENT NO. 1 TO CONTRACT NO. 17-026

**AGREEMENT FOR
SUPERVISORY CONTROL AND DATA ACQUISITION SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
INSTRUMENT CONTROL SERVICES, INC.**

THIS AGREEMENT is made and entered into this _____ day of _____, 2018, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and INSTRUMENT CONTROL SERVICES, INC., a California Corporation ("CONTRACTOR"). Together, DISTRICT and CONTRACTOR shall be referred to herein as Parties.

RECITALS

A. On November 1, 2017, DISTRICT and CONTRACTOR entered into VRSD Contract No. 17-026, Agreement for Consulting Services ("Agreement"), wherein CONTRACTOR agreed to provide Supervisory Control and Data Acquisition ("SCADA") and control-related services, as needed from time to time by the DISTRICT at its solid waste and water/wastewater operation facilities.

B. DISTRICT and CONTRACTOR acknowledge and agree that additional time and compensation are necessary to continue the SCADA and control-related services, and that this can be accomplished by amending Contract 17-026 accordingly.

AMENDMENT TERMS AND CONDITIONS

NOW, THEREFORE, based upon valuable consideration below and the recitals above, it is mutually agreed by and between the Parties, in accordance with ARTICLE 17 of the Agreement governing amendments to the Agreement, as follows:

1. The Parties agree the following language shall replace the original provisions of Article 2: Term of Contract:

"Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONTRACTOR shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this Agreement shall automatically terminate on June 30, 2019."

2. The Parties agree the following language shall replace the original provisions of Article 4.D.: Payment to Contractor:

"B. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR's services described herein shall be increased by \$25,000 from \$25,000 to \$50,000 and shall not exceed \$50,000 without prior written amendment hereto."

3. The Parties agree the following language shall replace the original billing rates of Section B of Exhibit A: Statement of Work & Rate Sheet:

Senior Systems Integrator	\$165
Systems Integrator I	\$135
Systems Integrator II	\$125
Instrument/Electrical Supervisor	\$115
Instrument/Electrical I	\$105
Instrument/Electrical II	\$ 98
Instrument/Electrical III	\$ 88
Valve Technician	\$115

3. **Integrated Contract.** A copy of the original Agreement (VRSD Contract No. 17-026) is attached hereto as Exhibit 1 and incorporated herein by this reference, which Agreement shall, except as expressly modified herein, remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first set forth above.

VENTURA REGIONAL
SANITATION DISTRICT

By _____
JAMES MONAHAN
Chairman, Board of Directors

INSTRUMENT CONTROL SERVICES

By _____
MICHAEL LeBLANC
Owner

ATTEST:

By _____
JULIET RODRIGUEZ
Clerk of the Board

APPROVED AS TO FORM:
ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By _____
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION:

By _____
CHRIS THEISEN
General Manager

EXHIBIT 1

VENTURA REGIONAL SANITATION DISTRICT CONTRACT NO. 17-026

AGREEMENT FOR SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM MAINTENANCE AND REPAIR SERVICES

BETWEEN VENTURA REGIONAL SANITATION DISTRICT AND INSTRUMENT CONTROL SERVICES, INC.

THIS AGREEMENT is made and entered into this 1st day of November 2017 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and INSTRUMENT CONTROL SERVICES, INC., a California corporation ("CONTRACTOR"). Together, DISTRICT and CONTRACTOR shall be referred to herein as Parties.

RECITALS

A. DISTRICT has a need for Supervisory Control and Data Acquisition (SCADA) and control-related services at its solid waste and water/wastewater operation facilities.

B. CONTRACTOR represents that it possesses the necessary licenses, skills, experience, and personnel to perform the required SCADA and control-related services, as needed from time to time by the DISTRICT.

C. CONTRACTOR is willing to contract with DISTRICT to supply such services on the terms and conditions set forth below.

D. Based upon CONTRACTOR's representations, DISTRICT has selected CONTRACTOR in conformance with the negotiated procurement provisions of Section 403 of the DISTRICT's Purchasing Resolution No. 89-13.

E. Parties agree to enter into this Agreement based upon the valuable and mutual consideration set forth below and the recitals above and to abide by its terms and conditions as set forth herein.

AGREEMENT

ARTICLE 1: SCOPE OF SERVICES

A. CONTRACTOR shall provide SCADA and control-related services, as described in Exhibit "A," Statement of Work and Rate Sheet, attached hereto and incorporated herein by reference.

B. CONTRACTOR shall use best professional practices in providing SCADA and control-related services to DISTRICT, and shall cooperate fully with DISTRICT in providing such services.

ARTICLE 2: TERM OF CONTRACT

Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONTRACTOR shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this contract shall automatically terminate on June 30, 2018.

ARTICLE 3: INDEPENDENT CONTRACTOR RELATIONSHIP

A. It is expressly understood between the Parties that no employee/employer relationship is intended, the relationship of CONTRACTOR to DISTRICT being that of an independent contractor. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to CONTRACTOR.

B. CONTRACTOR is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by DISTRICT and for coordinating all portions of the work so the result will be satisfactory to the DISTRICT. CONTRACTOR will supply all tools and instrumentalities required to perform its services under this Agreement.

C. CONTRACTOR, pursuant to this Agreement, is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

ARTICLE 4: PAYMENT TO CONTRACTOR

A. In consideration of CONTRACTOR's performance of services as described herein, DISTRICT shall pay CONTRACTOR fees for its services according to the schedule of rates in Exhibit A.

B. On or prior to the tenth (10th) day of each calendar month after actual work is started, CONTRACTOR shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. DISTRICT shall review and approve CONTRACTOR's invoice for accuracy and agree with CONTRACTOR on any adjustments that may be appropriate. Such approvals shall not be unreasonably withheld. DISTRICT shall pay CONTRACTOR for all approved work and materials within thirty (30) days of agreement on the amount of the invoice.

C. In the event of disagreement with CONTRACTOR on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within thirty (30) days after deducting therefrom all previous payments and all sums to be retained under the terms of the agreement.

D. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR's services described herein shall not exceed \$25,000 without prior written amendment pursuant to Article 17 below.

ARTICLE 5: TERMINATION OF CONTRACT

All work shall be done in a diligent and professional manner to DISTRICT's satisfaction. CONTRACTOR specifically acknowledges and agrees that DISTRICT may terminate CONTRACTOR's services at any time with or without cause, regardless of whether CONTRACTOR's services are completed. Notice of such termination shall be in writing. In the event of such termination, CONTRACTOR shall have the right to expend additional time (not to exceed 10% of the total fees payable under this Agreement) to assemble the work in progress for the purpose of proper filing and closing the job. Such additional time shall not increase CONTRACTOR's total compensation beyond the maximum stated in Article 4-D, above.

ARTICLE 6: INDEMNIFICATION AND HOLD HARMLESS

CONTRACTOR agrees to defend, indemnify and hold harmless DISTRICT and its officers, agents and employees, from and against any and all liability, damages, costs, losses, claims and expenses, however caused, resulting directly or indirectly from or connected with CONTRACTOR's negligent performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of CONTRACTOR, DISTRICT, or their respective employees or agents), except to the extent that such liability, damages, costs, losses, claims or expenses are caused by the negligent or

wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 7: INSURANCE

A. CONTRACTOR shall provide and keep in effect during the term of this Agreement insurance as follows:

1. Workers' Compensation and Employer's Liability policies in accordance with applicable laws;
2. Commercial Liability policies with combined single limit coverage of at least \$1,000,000 for any personal injury, death, or property damage; and
3. Comprehensive Automobile Liability policies with combined single limit coverage of at least \$1,000,000 for personal injury, death, or property damage.

B. CONTRACTOR shall provide certificates of such insurance to DISTRICT prior to the start of work. Said certificates shall specifically provide that:

1. DISTRICT is an additional insured for the coverage in Articles A-2 and A-3 above;
2. Any other insurance coverage applicable to the loss shall be deemed excess coverage and CONTRACTOR's insurance shall be primary for the coverage in Articles A-2 and A-3 above; and
3. Insurance may not be terminated or canceled without thirty (30) days' prior written notice having been given DISTRICT at its address set forth in this Agreement.

ARTICLE 8: SUBCONTRACTORS

CONTRACTOR shall not delegate or assign its duties under this Agreement to any person or entity without the DISTRICT's prior written consent. If CONTRACTOR delegates or assigns any duties under this Agreement without DISTRICT's prior written consent, DISTRICT may immediately terminate this Agreement.

ARTICLE 9: AUTHORITY TO EXECUTE AGREEMENT

The individuals executing this Agreement on behalf of DISTRICT and CONTRACTOR covenant that each is duly authorized and empowered to execute Agreements on behalf of their respective Parties.

ARTICLE 10: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of CONTRACTOR shall operate as a waiver of the default, of any subsequent or other default by CONTRACTOR, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 11: PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 12: INTEGRATION

Any prior oral or written understandings or agreements between the Parties pertaining to the subject matter of this Agreement shall not be binding on either of the Parties, unless that prior understanding or agreement is incorporated into this Agreement by reference.

ARTICLE 13: CHOICE OF LAW; VENUE

A. This Agreement shall be interpreted and construed pursuant to the laws of the State of California.

B. The Parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 14: COMPLIANCE WITH LAWS

This agreement shall be governed by the Uniform Commercial Code of the State of California, as amended. CONTRACTOR shall be solely responsible for giving all notices and complying with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to CONTRACTOR's work, the safety of the persons or property involved, and their protection from damage or injury. CONTRACTOR shall defend, indemnify and hold DISTRICT harmless from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorneys' fees and costs, brought or recovered against DISTRICT, for or on account of any liability under said laws, ordinances, rules, regulations and orders which may be incurred by reason of any work to be performed by CONTRACTOR with this Agreement.

ARTICLE 15: FORCE MAJEURE

Neither CONTRACTOR nor DISTRICT shall be liable or deemed to be in default for any delay or failure in performance under this Agreement due to interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of CONTRACTOR or DISTRICT.

ARTICLE 16: DISPUTE RESOLUTION

In the event that CONTRACTOR and DISTRICT have a dispute concerning the payment of sums pursuant to their Contract, the parties agree to be governed by Public Contracts Code Section 20104, et seq. In the event of such dispute, CONTRACTOR shall file a written claim with DISTRICT. DISTRICT shall respond in writing within forty-five (45) days or, within thirty (30) days request additional documentation and respond fifteen (15) days after said request.

ARTICLE 17: MODIFICATION

This Agreement, in whole or in part, may not be amended, modified, or altered in any way unless it is first put in writing and then mutually agreed to by authorized representatives of the parties.

ARTICLE 18: NOTICES

All notices or other official correspondence relating to contractual matters between the parties shall be made by depositing the same as first-class, postage-paid mail addressed as follows:

To CONTRACTOR: Michael LeBlanc
INSTRUMENT CONTROL SERVICES, INC.
6085 King Drive, Suite 100
Ventura, CA 93003

To DISTRICT: Finance & Administration
VENTURA REGIONAL SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

or to such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be deemed to have been received three (3) days after mailing.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

VENTURA REGIONAL
SANITATION DISTRICT

By 
CHRIS THEISEN
General Manager

INSTRUMENT CONTROL SERVICES, INC.

By 
MICHAEL LeBLANC
Owner

APPROVED AS TO FORM:
ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

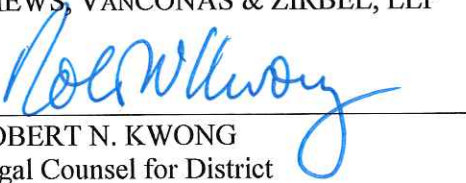
By 
ROBERT N. KWONG
Legal Counsel for District

EXHIBIT A

STATEMENT OF WORK & RATE SHEET

- A. CONTRACTOR shall provide programming, integration & maintenance of controls related to SCADA systems, & maintenance services, and valve testing & repair services to the DISTRICT for its water/wastewater and solid waste facilities, including:

1. Maintain existing or install new control systems devices for the DISTRICT water/wastewater and solid waste operations SCADA systems.
2. Integrate or modify vendor logic controllers and HMI programs related to the DISTRICT SCADA systems.

- B. CONTRACTOR shall bill the DISTRICT, through a written invoice, for work performed under this Agreement according to the following hourly rates:

Senior Systems Integrator	\$165
Systems Integrator I	\$135
Systems Integrator II	\$125
Instrument/Electrical Supervisor	\$115
Instrument Technician	\$ 98
Instrument Technician II	\$ 89
Electrician I	\$105
Electrician II	\$ 88
Electrician III	\$ 78
Senior Valve Technician	\$ 89
Valve Technician I	\$ 68
Operator I	\$ 88
Operator II	\$ 78

- Third party contractors will be billed cost plus 30%.
- Mobile repair trailer for valve repair will be billed at \$45/hour.
- Work trucks for crafts personnel will be billed at \$25/hour or \$100 a day (whichever is less).

**VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 17-027-1**

AMENDMENT NO. 1 TO CONTRACT NO. 17-027

**AGREEMENT FOR
ELECTRICAL SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
INSTRUMENT CONTROL SERVICES, INC.**

THIS AGREEMENT is made and entered into this _____ of _____, 2018, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and INSTRUMENT CONTROL SERVICES, INC., a California Corporation ("CONTRACTOR"). Together, DISTRICT and CONTRACTOR shall be referred to herein as Parties.

RECITALS

A. On November 1, 2017, DISTRICT and CONTRACTOR entered into VRSD Contract No. 17-026, Agreement for Consulting Services ("Agreement"), wherein CONTRACTOR agreed to provide electrical services to the DISTRICT at its solid waste and water/wastewater operation facilities.

B. DISTRICT and CONTRACTOR acknowledge and agree that additional time and compensation are necessary to continue the electrical services, and that this can be accomplished by amending Contract 17-027 accordingly.

AMENDMENT TERMS AND CONDITIONS

NOW, THEREFORE, based upon valuable consideration below and the recitals above, it is mutually agreed by and between the Parties, in accordance with ARTICLE 17 of the Agreement governing amendments to the Agreement, as follows:

1. The Parties agree the following language shall replace the original provisions of Article 2: Term of Contract:

"Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONTRACTOR shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this Agreement shall automatically terminate on June 30, 2019."

2. The Parties agree the following language shall replace the original provisions of Article 4.D.: Payment to Contractor:

"D. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR's services described herein shall be increased by \$25,000 from \$25,000 to \$50,000 and shall not exceed \$50,000 without prior written amendment hereto."

3. The Parties agree the following language shall replace the original billing rates of Section B of Exhibit A: Statement of Work & Rate Sheet:

Senior Systems Integrator	\$165
Systems Integrator I	\$135
Systems Integrator II	\$125
Instrument/Electrical Supervisor	\$115
Instrument/Electrical I	\$105
Instrument/Electrical II	\$ 98
Instrument/Electrical III	\$ 88
Valve Technician	\$115

4. **Integrated Contract.** A copy of the original Agreement (VRSD Contract No. 17-027) is attached hereto as Exhibit 1 and incorporated herein by this reference, which Agreement shall, except as expressly modified herein, remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first set forth above.

VENTURA REGIONAL
SANITATION DISTRICT

By _____
JAMES MONAHAN
Chairman, Board of Directors

INSTRUMENT CONTROL SERVICES

By  _____
MICHAEL LeBLANC
Owner

ATTEST:

By _____
JULIET RODRIGUEZ
Clerk of the Board

APPROVED AS TO FORM:
ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By _____
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION:

By _____
CHRIS THEISEN
General Manager

EXHIBIT 1

VENTURA REGIONAL SANITATION DISTRICT
CONTRACT NO. 17-027

RECEIVED

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VENTURA REGIONAL
SANITATION DISTRICT

AGREEMENT FOR
ELECTRICAL SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
INSTRUMENT CONTROL SERVICES, INC.

THIS AGREEMENT is made and entered into this 1st day of November 2017 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and INSTRUMENT CONTROL SERVICES, INC., a California corporation ("CONTRACTOR"). Together, DISTRICT and CONTRACTOR shall be referred to herein as Parties.

RECITALS

- A. DISTRICT has a need for electrical services at its solid waste and water/wastewater operation facilities.
- B. CONTRACTOR represents that it possesses the necessary licenses, skills, experience, and personnel to perform the required electrical services, as needed from time to time by the DISTRICT.
- C. CONTRACTOR is willing to contract with DISTRICT to supply such services on the terms and conditions set forth below.
- D. Based upon CONTRACTOR's representations, DISTRICT has selected CONTRACTOR in conformance with the negotiated procurement provisions of Section 403 of the DISTRICT's Purchasing Resolution No. 89-13.
- E. Parties agree to enter into this Agreement based upon the valuable and mutual consideration set forth below and the recitals above and to abide by its terms and conditions as set forth herein.

AGREEMENT

ARTICLE 1: SCOPE OF SERVICES

- A. CONTRACTOR shall provide electrical services, as described in Exhibit "A," Statement of Work and Rate Sheet, attached hereto and incorporated herein by reference.
- B. CONTRACTOR shall use best professional practices in providing electrical services to DISTRICT, and shall cooperate fully with DISTRICT in providing such services.

ARTICLE 2: TERM OF CONTRACT

Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONTRACTOR shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this contract shall automatically terminate on June 30, 2018.

ARTICLE 3: INDEPENDENT CONTRACTOR RELATIONSHIP

A. It is expressly understood between the Parties that no employee/employer relationship is intended, the relationship of CONTRACTOR to DISTRICT being that of an independent contractor. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to CONTRACTOR.

B. CONTRACTOR is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by DISTRICT and for coordinating all portions of the work so the result will be satisfactory to the DISTRICT. CONTRACTOR will supply all tools and instrumentalities required to perform its services under this Agreement.

C. CONTRACTOR, pursuant to this Agreement, is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

ARTICLE 4: PAYMENT TO CONTRACTOR

A. In consideration of CONTRACTOR's performance of services as described herein, DISTRICT shall pay CONTRACTOR fees for its services according to the schedule of rates in Exhibit A.

B. On or prior to the tenth (10th) day of each calendar month after actual work is started, CONTRACTOR shall submit an invoice in sufficient detail to show the total amount of work done to the last day of the month preceding the one in which the invoice is submitted. DISTRICT shall review and approve CONTRACTOR's invoice for accuracy and agree with CONTRACTOR on any adjustments that may be appropriate. Such approvals shall not be unreasonably withheld. DISTRICT shall pay CONTRACTOR for all approved work and materials within thirty (30) days of agreement on the amount of the invoice.

C. In the event of disagreement with CONTRACTOR on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within thirty (30) days after deducting therefrom all previous payments and all sums to be retained under the terms of the agreement.

D. Total fees or compensation to be paid by DISTRICT to CONTRACTOR for CONTRACTOR's services described herein shall not exceed \$25,000 without prior written amendment pursuant to Article 17 below.

ARTICLE 5: TERMINATION OF CONTRACT

All work shall be done in a diligent and professional manner to DISTRICT's satisfaction. CONTRACTOR specifically acknowledges and agrees that DISTRICT may terminate CONTRACTOR's services at any time with or without cause, regardless of whether CONTRACTOR's services are completed. Notice of such termination shall be in writing. In the event of such termination, CONTRACTOR shall have the right to expend additional time (not to exceed 10% of the total fees payable under this Agreement) to assemble the work in progress for the purpose of proper filing and closing the job. Such additional time shall not increase CONTRACTOR's total compensation beyond the maximum stated in Article 4-D, above.

ARTICLE 6: INDEMNIFICATION AND HOLD HARMLESS

CONTRACTOR agrees to defend, indemnify and hold harmless DISTRICT and its officers, agents and employees, from and against any and all liability, damages, costs, losses, claims and expenses, however caused, resulting directly or indirectly from or connected with CONTRACTOR's negligent performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of CONTRACTOR, DISTRICT, or their respective employees or agents), except to the extent that such liability, damages, costs, losses, claims or expenses are caused by the negligent or

wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 7: INSURANCE

A. CONTRACTOR shall provide and keep in effect during the term of this Agreement insurance as follows:

1. Workers' Compensation and Employer's Liability policies in accordance with applicable laws;
2. Commercial Liability policies with combined single limit coverage of at least \$1,000,000 for any personal injury, death, or property damage; and
3. Comprehensive Automobile Liability policies with combined single limit coverage of at least \$1,000,000 for personal injury, death, or property damage.

B. CONTRACTOR shall provide certificates of such insurance to DISTRICT prior to the start of work. Said certificates shall specifically provide that:

1. DISTRICT is an additional insured for the coverage in Articles A-2 and A-3 above;
2. Any other insurance coverage applicable to the loss shall be deemed excess coverage and CONTRACTOR's insurance shall be primary for the coverage in Articles A-2 and A-3 above; and
3. Insurance may not be terminated or canceled without thirty (30) days' prior written notice having been given DISTRICT at its address set forth in this Agreement.

ARTICLE 8: SUBCONTRACTORS

CONTRACTOR shall not delegate or assign its duties under this Agreement to any person or entity without the DISTRICT's prior written consent. If CONTRACTOR delegates or assigns any duties under this Agreement without DISTRICT's prior written consent, DISTRICT may immediately terminate this Agreement.

ARTICLE 9: AUTHORITY TO EXECUTE AGREEMENT

The individuals executing this Agreement on behalf of DISTRICT and CONTRACTOR covenant that each is duly authorized and empowered to execute Agreements on behalf of their respective Parties.

ARTICLE 10: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of CONTRACTOR shall operate as a waiver of the default, of any subsequent or other default by CONTRACTOR, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 11: PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 12: INTEGRATION

Any prior oral or written understandings or agreements between the Parties pertaining to the subject matter of this Agreement shall not be binding on either of the Parties, unless that prior understanding or agreement is incorporated into this Agreement by reference.

ARTICLE 13: CHOICE OF LAW; VENUE

A. This Agreement shall be interpreted and construed pursuant to the laws of the State of California.

B. The Parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 14: COMPLIANCE WITH LAWS

This agreement shall be governed by the Uniform Commercial Code of the State of California, as amended. CONTRACTOR shall be solely responsible for giving all notices and complying with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to CONTRACTOR's work, the safety of the persons or property involved, and their protection from damage or injury. CONTRACTOR shall defend, indemnify and hold DISTRICT harmless from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including reasonable attorneys' fees and costs, brought or recovered against DISTRICT, for or on account of any liability under said laws, ordinances, rules, regulations and orders which may be incurred by reason of any work to be performed by CONTRACTOR with this Agreement.

ARTICLE 15: FORCE MAJEURE

Neither CONTRACTOR nor DISTRICT shall be liable or deemed to be in default for any delay or failure in performance under this Agreement due to interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of CONTRACTOR or DISTRICT.

ARTICLE 16: DISPUTE RESOLUTION

In the event that CONTRACTOR and DISTRICT have a dispute concerning the payment of sums pursuant to their Contract, the parties agree to be governed by Public Contracts Code Section 20104, et seq. In the event of such dispute, CONTRACTOR shall file a written claim with DISTRICT. DISTRICT shall respond in writing within forty-five (45) days or, within thirty (30) days request additional documentation and respond fifteen (15) days after said request.

ARTICLE 17: MODIFICATION

This Agreement, in whole or in part, may not be amended, modified, or altered in any way unless it is first put in writing and then mutually agreed to by authorized representatives of the parties.

ARTICLE 18: NOTICES

All notices or other official correspondence relating to contractual matters between the parties shall be made by depositing the same as first-class, postage-paid mail addressed as follows:

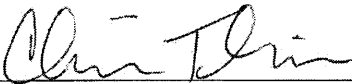
To CONTRACTOR: Michael LeBlanc
INSTRUMENT CONTROL SERVICES, INC.
6085 King Drive, Suite 100
Ventura, CA 93003

To DISTRICT: Finance & Administration
VENTURA REGIONAL SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, CA 93003-0704

or to such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be deemed to have been received three (3) days after mailing.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

VENTURA REGIONAL
SANITATION DISTRICT

By 
CHRIS THEISEN
General Manager

INSTRUMENT CONTROL SERVICES, INC.

By 
MICHAEL LeBLANC
Owner

APPROVED AS TO FORM:
ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

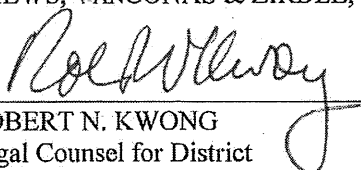
By 
ROBERT N. KWONG
Legal Counsel for District

EXHIBIT A

STATEMENT OF WORK & RATE SHEET

A. CONTRACTOR shall provide electrical services to the DISTRICT for its water/wastewater and solid waste facilities, including:

1. Provide additional support for miscellaneous electrical services which include, but are not limited to, the following:
 - a. Electrical troubleshooting repair and replacement of existing systems.
 - b. Electrical construction and installation of new systems.
 - c. Control, pressure relief, gate, ball, plug and globe valve testing and repair.

B. CONTRACTOR shall bill the DISTRICT, through a written invoice, for work performed under this Agreement according to the following hourly rates:

Senior Systems Integrator	\$165
Systems Integrator I	\$135
Systems Integrator II	\$125
Instrument/Electrical Supervisor	\$115
Instrument Technician	\$ 98
Instrument Technician II	\$ 89
Electrician I	\$105
Electrician II	\$ 88
Electrician III	\$ 78
Senior Valve Technician	\$ 89
Valve Technician I	\$ 68
Operator I	\$ 88
Operator II	\$ 78

- Third party contractors will be billed cost plus 30%.
- Mobile repair trailer for valve repair will be billed at \$45/hour.
- Work trucks for crafts personnel will be billed at \$25/hour or \$100 a day (whichever is less).