

**ACTION MINUTES
BOARD OF PUBLIC UTILITIES COMMISSIONERS
CITY OF TULARE**

August 20, 2020

A regular meeting of the Board of Public Utilities of the City of Tulare was held on Thursday, August 20, 2020 at 4:00 p.m. in the Tulare Public Library & Council Chamber, 491 North "M" Street.

BPU PRESENT: Chris Harrell, Thomas Griesbach, Ray Fonseca,

BPU ABSENT: Howard Stroman, Renee Soto

STAFF PRESENT: Rob Hunt, Megan Dodd, Darlene Thompson, Trisha Whitfield, Michael Miller, Nick Bartsch, Jim Funk, Andrew Bettencourt, Melissa Hermann

I. CALL TO ORDER REGULAR MEETING

President Harrell called the regular meeting to order at 4:01 p.m.

II. PLEDGE OF ALLEGIANCE AND INVOCATION

President Harrell led the Pledge of Allegiance and an invocation was given by Board Member Griesbach.

III. CITIZEN COMMENTS

President Harrell requested those who wish to speak on matters not on the agenda within the jurisdiction of the Board, or to address or request a matter be pulled from the Consent Calendar to do so at this time. He further stated comments related to General Business matters would be heard at the time that matter is addressed on the agenda.

There were no citizen comments.

IV. COMMUNICATIONS

There were no items for this section of the agenda.

V. CONSENT CALENDAR

It was moved by President Harrell, seconded by Board Member Griesbach, and carried 3 to 0 (Board Member Soto and Vice President Stroman absent) to approve the items on the Consent Calendar as presented with the exception of items 2, 3, & 4.

(1) Approve minutes of the July 16, 2020 regular meeting.

(2) Accept Financial Status Report. Board Member Fonseca pulled this item for various questions which were responded to by Finance Director Darlene Thompson.

It was moved by Board Member Fonseca, seconded by President Harrell, and unanimously carried to approve the item as presented.

- (3) **Receive the Public Works performance reports for July 2020.** Board Member Griesbach pulled this item for clarification. Public Works Director Trisha Whitfield provided response thereto. It was moved by Board Member Griesbach, seconded by President Harrell, and carried 3 to 0 (Board Member Soto and Vice President Stroman absent) to approve the item as presented.
- (4) **Accept the Public Works Project Dashboard for August 2020.** Board Member Griesbach pulled this item for discussion. Public Works Director Trisha Whitfield provided response thereto. It was moved by Board Member Griesbach, seconded by Board Member Fonseca, and carried 3 to 0 (Board Member Soto and Vice President Stroman absent) to approve the item as presented.
- (5) **Receive the quarterly Potable Water Pumping and Metered Delivery Report.**
- (6) **Authorize the City Manager to complete and execute the documents necessary to declare as public right-of-way a portion of the "K" Street and Bardsley Avenue well site – Well 4-3: Project WT0040 – Pratt Water System Improvement Project, subject only to minor conforming and clarifying changes acceptable to the City Attorney and City Manager.**

VI. GENERAL BUSINESS

- (1) **Adopt Resolution 2020-04 designating the Public Works Director or his designee as the Authorizing Representative associated with the Financial Assistance Application for the Pratt Water System Improvement Project (Project WT0040).** Project Manager Jim Funk provided a report for the Board's review and consideration. It was moved by President Harrell, seconded by Board Member Griesbach, and carried 3 to 0 (Board Member Soto and Vice President Stroman absent) to adopt Resolution 2020-04.

VII. ITEMS OF INTEREST

Items of interest were discussed amongst the Board and staff.

VIII. ADJOURNMENT OF REGULAR MEETING

President Harrell adjourned the regular meeting at 4:17 p.m.

President of the Board of Public Utilities
Commissioners of the City of Tulare

ATTEST:

Secretary of the Board of
Public Utilities Commissioners

**CITY OF TULARE
SUMMARY TREASURER'S REPORT
SUMMARY OF ALL INVESTMENTS
JULY 31, 2020**

AGENDA ITEM: Consent 2

<u>TYPE OF INVESTMENT</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>CURRENT YIELD</u>	<u>BOOK VALUE % OF TOTAL</u>
UNRESTRICTED INVESTMENTS - SEE PAGE 2	140,187,267	140,477,224	0.946%	83.01%
RESTRICTED INVESTMENTS - SEE PAGE 4	<u>28,683,542</u>	<u>28,683,542</u>	N/A	<u>16.99%</u>
TOTAL INVESTMENTS	<u><u>168,870,809</u></u>	<u><u>169,160,766</u></u>	N/A	<u><u>100.00%</u></u>

Note: The City's financial statements will report market values, not book values, at June 30 each year.

I certify that this report reflects all City investments and complies with the investment policy of the City of Tulare as approved by City Council. Furthermore, I certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditures for the next six months.

Presented to the City Council on August 24, 2020.

Presented to the Board of Public Utility Commissioners on August 24, 2020.

Respectfully submitted, Darlene J. Thompson, CPA, Finance Director/Treasurer



8-24-2020

Date

CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
SUMMARY OF UNRESTRICTED INVESTMENTS
JULY 31, 2020

TYPE OF INVESTMENT	ISSUER OF INVESTMENT	DATES:		INTEREST RATES:		BOOK VALUE MARKET VALUE	UNREALIZED	ESTIMATED	BOOK
		ACQUISITION	MATURITY	STATED	CURRENT YIELD		GAIN/(LOSS):	EARNINGS:	VALUE
							THIS MONTH	ANNUAL	% OF
							LAST MONTH	THIS MONTH	U/I~
Petty Cash	N/A	N/A	N/A	N/A	11,800		N/A	N/A	0.01%
		N/A	None		11,800		N/A	N/A	
Checking Account - City	Wells Fargo Bank	N/A	N/A	N/A	1,779,645		N/A	N/A	1.27%
		On Demand	None		1,779,645		N/A	N/A	
					Balance per bank is \$3,083,621				
Local Agency Investment Fund (LAIF)	State of California	Various	N/A	N/A	34,500,000		169,491	317,400	24.61%
		On Demand	0.920%		* 34,669,491		329,165	26,450	
Sub-Total			N/A	N/A	36,291,445		169,491	317,400	25.89%
			0.871%		36,460,936		329,165	26,450	
Fixed Income Investments	Various (See page 4-7)		N/A	N/A	Per BNY WTC 103,895,822		120,466	1,011,065	74.11%
Investments in Safekeeping With BNY Western Trust Company			0.970%		104,016,288		104,211	84,255	
TOTAL UNRESTRICTED INVESTMENTS			N/A	N/A	140,187,267		289,957	1,328,465	100.00%
			0.946%		140,477,224		433,376	110,705	

* LAIF market values are based on the most currently available amortized cost information - June, 2020;

1.004912795

~ U/I = Unrestricted Investments

CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
SUMMARY OF RESTRICTED INVESTMENTS
JULY 31, 2020

TYPE OF INVESTMENT	ISSUER OF INVESTMENT	ACQUISITION DATE	MATURITY DATE	STATED INTEREST RATE	PAR VALUE	BOOK VALUE	MARKET VALUE	BALANCES AS-OF DATE
Bond Funds (All are Managed by U.S. Bank Trust Except LAIF):								
2018 Lease Revenue and Refunding Bonds (Account No. 244938000)								
First American Govt Fd	U.S. Bank Trust	Various	On Demand	Various	N/A	1,701,592	1,701,592	07-31-20
				Reserve Fund		<u>1,701,592</u>	<u>1,701,592</u>	
2012 Sewer Revenue Refunding Bonds (Account No. 162033000)								
U S Bk Mmkt	U.S. Bank Trust	Various	On Demand	Various	N/A	158,549	158,549	07-31-20
U S Bk Mmkt	U.S. Bank Trust	Various	On Demand	Various	N/A	923,375	923,375	07-31-20
				Reserve Fund		<u>1,081,924</u>	<u>1,081,924</u>	
2013 Sewer Revenue Refunding Bonds (Account No. 203701000)								
First American Govt Fd	U.S. Bank Trust	Various	On Demand	Various	N/A	95,119	95,119	07-31-20
Guarantee Invest. Cont.	Bayerische Landesbank	08-01-13	11-15-22	2.310%	N/A	2,745,126	2,745,126	07-31-20
						<u>2,840,245</u>	<u>2,840,245</u>	
2015 Sewer Revenue Refunding Bonds (Account No. 2615940000)								
First American Govt Fd	U.S. Bank Trust	Various	On Demand	Various	N/A	13	13	07-31-20
Investment Repurchase GIC	Bayerische Landesbank	11-15-15	11-15-25	1.960%	N/A	6,670,067	6,670,067	07-31-20
				Reserve Fund		<u>6,670,080</u>	<u>6,670,080</u>	
2016 Sewer Revenue Refunding Bonds (Account No. 260)								
U S Bk Mmkt	U.S. Bank Trust	Various	On Demand	Various	N/A	837	837	07-31-20
						<u>837</u>	<u>837</u>	
2020 Water Revenue Bonds (Account No. XXX)								
U S Bk Mmkt	U.S. Bank Trust	Various	On Demand	Various	N/A	14,917,944	14,917,944	07-31-20
						<u>14,917,944</u>	<u>14,917,944</u>	
2017 Successor Agency Tax Allocation Bonds - Series A & B (Account No. 24534600)								
U S Bk Mmkt	U.S. Bank Trust	Various	On Demand	Various	N/A	1,425,476	1,425,476	07-31-20
						<u>1,425,476</u>	<u>1,425,476</u>	
TOTAL BOND FUNDS						<u>28,638,098</u>	<u>28,638,098</u>	
Restricted Insurance Deposits Managed by Fiscal Agents:								
Employee Welfare Fund (60)	Various	N/A	N/A	Various	N/A	919	919	07-31-20
Workers' Comp. Fund (61)	Various	N/A	N/A	Various	N/A	0	0	* 06-30-19
General Insurance Fund (62)	Various	N/A	N/A	Various	N/A	44,525	44,525	* 06-30-19
						<u>45,444</u>	<u>45,444</u>	
				* NOTE: Reported as information is made available.				
				* Adjusted annually.				
TOTAL RESTRICTED INVESTMENTS						<u>28,683,542</u>	<u>28,683,542</u>	
<i>Book Value % of Total Investments =</i>								
						<u>16.99%</u>		

**CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS
JULY 31, 2020**

TYPE OF FIXED INCOME INVESTMENT	CUSIP NUMBER	DATES:		INTEREST RATES:		BOOK VALUE MARKET VALUE	UNREALIZED	ESTIMATED
		ACQUISITION	MATURITY	STATED	CURRENT YIELD		GAIN/(LOSS):	EARNINGS:
							THIS MONTH	ANNUAL
					PAR VALUE		LAST MONTH	THIS MONTH
<u>U.S. GOVERNMENT AGENCY OBLIGATIONS</u>								
			**			Per BNY WTC		
Federal Farm Credit Banks		01-29-18		2.250%	1,500,000	1,497,825	17,715	33,750
	3133EJAW9	01-29-21	C	2.230%		1,515,540	19,860	2,313
Federal Farm Credit Bks Funding Corp		06-23-20		0.230%	2,000,000	2,000,000	40	4,600
	3133ELN75	12-23-21	C	0.230%		2,000,040	(1,300)	383
Federal Home Ln Mtg Corp		02-10-20		1.625%	2,000,000	2,000,000	540	32,500
	3134GVAH1	08-10-22	C	1.620%		2,000,540	2,640	2,708
Federal Home Ln Mtg Corp		02-07-20		1.750%	2,000,000	2,000,000	320	35,000
	3134GU6Q8	11-07-23	C	1.750%		2,000,320	2,620	2,917
Federal Home Loan Bks		06-11-20		0.580%	2,000,000	2,000,000	140	11,600
	3130AJPJ2	12-11-23	C	0.580%		2,000,140	20	967
Federal National Mortgage Assn		06-22-20		0.520%	5,000,000	5,000,000	4,400	26,000
	3136G4XE8	12-22-23	C	0.520%		5,004,400	1,700	2,167
Federal Home Ln Mtg Corp		06-03-20		0.500%	2,000,000	2,000,000	400	10,000
	3134GV4F2	12-29-23	C	0.500%		2,000,400	0	833
Federal Home Ln Mtg Corp		02-28-20		1.625%	2,500,000	2,500,000	1,375	40,625
	3134GVEG9	02-28-24	C	1.620%		2,501,375	2,725	3,385
Federal Farm Credit Bks Funding Corp		03-25-20		0.590%	2,500,000	2,500,000	175	14,750
	3133ELP57	03-25-24	C	0.590%		2,500,175	(2,050)	1,229
Federal Farm Credit Bks Funding Corp		06-17-20		0.580%	2,000,000	2,000,000	3,920	11,600
	3133ELJ47	03-17-24	C	0.580%		2,003,920	1,080	967
Federal Farm Credit Bks Funding Corp		06-17-20		0.680%	2,000,000	2,000,000	2,080	13,600
	3133ELL85	06-17-24	C	0.680%		2,002,080	780	1,133
Federal Farm Credit Bks Funding Corp		06-15-20		0.730%	3,000,000	2,997,750	2,370	21,900
	3133ELE83	12-03-24	C	0.730%		3,000,120	(750)	1,825
Federal Home Loan Mtg Corp		02-10-20		1.875%	2,000,000	2,000,000	540	37,500
	3134GVAE8	02-10-25	C	1.870%		2,000,540	2,620	3,125

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CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
JULY 31, 2020

TYPE OF FIXED INCOME INVESTMENT	CUSIP NUMBER	DATES:		INTEREST RATES:		PAR VALUE	BOOK VALUE MARKET VALUE	UNREALIZED	ESTIMATED
		ACQUISITION	MATURITY	STATED	CURRENT YIELD			GAIN/(LOSS): THIS MONTH	EARNINGS: ANNUAL THIS MONTH
<u>U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED</u>									
				**			Per BNY WTC		
Federal Home Loan Banks		02-11-20			1.850%	2,000,000	2,000,000	620	37,000
	3130AJ3X5	02-11-25	C		1.850%		2,000,620	2,680	3,083
Federal Home Loan Banks		02-12-20			1.800%	2,000,000	2,000,000	13,220	36,000
	3130AJ4Q9	02-12-25	C		1.790%		2,013,220	14,420	3,000
Federal Farm Credit Bks Funding Corp		05-29-20			0.720%	2,000,000	2,000,000	40	14,400
	3133ELA46	02-20-25	C		0.720%		2,000,040	60	1,200
Federal Home Loan Mtg Corp		02-27-20			1.700%	3,000,000	3,000,000	1,980	51,000
	3134GVDP0	02-27-25	C		1.700%		3,001,980	4,110	4,250
Federal Farm Credit Bks Funding Corp		03-03-20			1.640%	2,500,000	2,500,000	21,200	41,000
	3133ELQE7	03-03-25	C		1.630%		2,521,200	22,975	3,417
Federal Home Loan Mtg Corp		03-17-20			1.150%	1,500,000	1,500,000	630	17,250
	3134GVGB8	03-17-25	C		1.150%		1,500,630	825	1,438
Federal Home Loan Mtg Corp		03-17-20			1.000%	2,500,000	2,500,000	550	25,000
	3134GVGG7	03-17-25	C		1.000%		2,500,550	525	2,083
Federal Home Loan Mtg Corp		03-24-20			1.350%	2,000,000	2,000,000	3,220	27,000
	3134GVHH4	03-24-25	C		1.350%		2,003,220	3,180	2,250
Federal Home Loan Banks		03-25-20			1.200%	1,500,000	1,500,000	4,500	18,000
	3130AJF79	03-25-25	C		1.200%		1,504,500	4,245	1,500
Federal Farm Credit Bks Funding Corp		03-25-20			1.200%	2,000,000	2,000,000	11,120	24,000
	3133ELUK8	03-25-25	C		1.190%		2,011,120	11,460	2,000
Federal Home Loan Banks		04-02-20			1.100%	1,500,000	1,500,000	285	16,500
	3130AJDQ9	04-02-25	C		1.100%		1,500,285	135	1,375
Federal Home Loan Mtg Corp		04-28-20			1.030%	1,400,000	1,400,000	434	14,420
	3134GVNR5	04-28-25	C		1.030%		1,400,434	238	1,202
Federal Home Loan Mtg Corp		04-29-20			1.020%	1,500,000	1,500,000	615	15,300
	3134GVNQ7	04-29-25	C		1.020%		1,500,615	465	1,275

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CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
JULY 31, 2020

TYPE OF FIXED INCOME INVESTMENT	CUSIP NUMBER	DATES:		INTEREST RATES:		PAR VALUE	BOOK VALUE MARKET VALUE	UNREALIZED	ESTIMATED
		ACQUISITION	MATURITY	STATED	CURRENT YIELD			GAIN/(LOSS): THIS MONTH	EARNINGS: ANNUAL
								LAST MONTH	THIS MONTH
<u>U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED</u>									
			**				Per BNY WTC		
Federal Home Loan Mtg Corp		05-13-20		0.900%	2,000,000	2,000,000	120	18,000	
	3134GVRM2	05-06-25	C	0.900%		2,000,120	740	1,500	
Federal Home Loan Mtg Corp		05-29-20		0.800%	2,000,000	2,000,000	800	16,000	
	3134GVZU5	05-27-25	C	0.800%		2,000,800	400	1,333	
Federal Home Loan Mtg Corp		06-03-20		0.750%	2,000,000	2,000,000	2,840	15,000	
	3134GVVX3	05-28-25	C	0.750%		2,002,840	1,740	1,250	
Federal Home Loan Mtg Corp		06-09-20		0.850%	2,500,000	2,500,000	675	21,250	
	3134GVJ74	06-09-25	C	0.850%		2,500,675	875	1,771	
Federal Home Loan Mtg Corp		06-10-20		0.700%	2,000,000	2,000,000	2,440	14,000	
	3134GVB56	06-10-25	C	0.700%		2,002,440	1,220	1,167	
Federal Home Loan Banks		06-11-20		0.860%	2,000,000	2,000,000	160	17,200	
	3130AJPD5	06-11-25	C	0.860%		2,000,160	(240)	1,433	
Federal Home Loan Mtg Corp		06-11-20		0.800%	2,000,000	2,000,000	1,580	16,000	
	3134GVG77	06-11-25	C	0.800%		2,001,580	1,280	1,333	
Federal Home Loan Mtg Corp		06-11-20		0.750%	2,000,000	2,000,000	1,720	15,000	
	3134GVL30	06-11-25	C	0.750%		2,001,720	400	1,250	
Federal Home Loan Mtg Corp		06-16-20		0.850%	2,000,000	2,000,000	1,700	17,000	
	3134GVL22	06-16-25	C	0.850%		2,001,700	1,380	1,417	
Federal Home Loan Banks		06-17-20		0.800%	2,000,000	2,000,000	980	16,000	
	3130AJPX1	06-17-25	C	0.800%		2,000,980	500	1,333	
Federal Home Loan Mtg Corp		06-17-20		0.810%	2,000,000	2,000,000	3,740	16,200	
	3134GVM96	06-17-25	C	0.810%		2,003,740	2,620	1,350	
Federal National Mortgage Assn		06-17-20		0.770%	2,000,000	2,000,000	1,340	15,400	
	3136G4WK5	06-17-25	C	0.770%		2,001,340	0	1,283	
Federal Home Loan Banks		06-24-20		0.750%	2,500,000	2,500,000	800	18,750	
	3130AJRE1	06-24-25		0.750%		2,500,800	(2,500)	1,563	

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CITY OF TULARE
SUMMARY TREASURER'S REPORT, CONTINUED
FIXED INCOME INVESTMENTS, CONTINUED
JULY 31, 2020

TYPE OF FIXED INCOME INVESTMENT	CUSIP NUMBER	DATES:		INTEREST RATES:		PAR VALUE	BOOK VALUE MARKET VALUE	UNREALIZED	ESTIMATED
		ACQUISITION	MATURITY	STATED	CURRENT YIELD			GAIN/(LOSS):	EARNINGS:
								THIS MONTH	ANNUAL
								LAST MONTH	THIS MONTH
<u>U.S. GOVERNMENT AGENCY OBLIGATIONS, CONTINUED</u>									
				**			Per BNY WTC		
Federal National Mortgage Assn		06-24-20			0.800%	2,500,000	2,500,000	2,100	20,000
	3136G4WM1	06-24-25	C		0.800%		2,502,100	425	1,667
Federal Home Loan Mtg Corp		06-25-20			0.800%	2,000,000	2,000,000	300	16,000
	3134GVU48	06-25-25	C		0.800%		2,000,300	120	1,333
Federal Home Loan Mtg Corp		06-30-20			0.875%	3,000,000	3,000,000	360	26,250
	3134GVK31	06-30-25	C		0.870%		3,000,360	0	2,188
Federal Home Loan Mtg Corp		06-30-20			0.800%	3,000,000	3,000,000	1,260	24,000
	3134GVR83	06-30-25	C		0.800%		3,001,260	0	2,000
Federal Home Loan Mtg Corp		06-30-20			0.800%	2,000,000	2,000,000	1,860	16,000
	3134GVT65	06-30-25	C		0.800%		2,001,860	0	1,333
Federal Home Loan Banks		07-08-20			0.730%	1,500,000	1,500,000	0	10,950
	3130AJST7	07-08-25	C		0.730%		1,500,000	0	913
Federal Home Loan Mtg Corp		07-15-20			0.750%	1,500,000	1,500,000	375	11,250
	3134GV4J4	07-15-25	C		0.750%		1,500,375	0	938
Federal Home Loan Mtg Corp		07-15-20			0.770%	2,000,000	2,000,000	880	15,400
	3134GV6S2	07-15-25	C		0.770%		2,000,880	0	1,283
Federal Home Loan Mtg Corp		07-15-20			0.730%	2,000,000	2,000,000	1,120	14,600
	3136G4YU1	07-15-25	C		0.730%		2,001,120	0	1,217
Federal Home Loan Mtg Corp		07-23-20			0.700%	1,500,000	1,500,000	900	10,500
	3136G4YV9	07-23-25	C		0.700%		1,500,900	0	875
Government National Mortgage Association II Pool		01-24-94			8.500%	N/A	247	(13)	20
	36202AHH3	09-20-22			8.380%		234	(12)	2
TOTAL FIXED INCOME INVESTMENTS					N/A	N/A	103,895,822	120,466	1,011,065
All are in safekeeping with BNY Western Trust Company					0.970%		104,016,288	104,211	84,255

**CITY OF TULARE
TREASURER'S EXECUTIVE SUMMARY
JULY 31, 2020**

CHANGES IN BALANCES AND YIELDS:

CATEGORY	BOOK VALUE MARKET VALUE DIFFERENCE			AVERAGE STATED YIELD		
	JULY	JUNE	CHANGE	JULY	JUNE	CHANGE
Total Investments	168,870,809 <u>169,160,766</u> 289,957	170,861,038 <u>171,296,394</u> 435,356	(1,990,229) <u>(2,135,628)</u> (145,399)	N/A	N/A	N/A
Unrestricted Investments	140,187,267 <u>140,477,224</u> 289,957	143,578,103 <u>144,013,459</u> 435,356	(3,390,836) <u>(3,536,235)</u> (145,399)	0.946%	1.672%	-0.726%
Restricted Investments	28,683,542 <u>28,683,542</u> 0	27,282,935 <u>27,282,935</u> 0	1,400,607 <u>1,400,607</u> 0	N/A	N/A	N/A
Local Agency Investment Fund (LAIF)	34,500,000 <u>34,669,491</u> 169,491	44,000,000 <u>44,329,165</u> 329,165	(9,500,000) <u>(9,659,674)</u> (159,674)	0.920%	1.363%	-0.443%
Fixed Income Investments (Total)	103,895,822 <u>104,016,288</u> 120,466	97,395,835 <u>97,502,026</u> 106,191	6,499,987 <u>6,514,262</u> 14,275	0.970%	1.530%	-0.560%
Commerical Paper	0 <u>0</u> 0	0 <u>0</u> 0	0 <u>0</u> 0	0.000%	0.000%	0.000%

TRANSACTIONS (BOOK VALUE): *

CATEGORY	PURCHASES	SALES / CALLS
<u>Fixed Income Investments</u>		<u>Fixed Income Investments</u>
Federal Home Loan Banks, .73%	1,500,000	Government National Mortgage Assn. Pool 13
Federal Home Loan Mortgage Corp, .75%	1,500,000	Federal Home Loan Banks, 2.270% 2,000,000
Federal Home Loan Mortgage Corp, .77%	2,000,000	
Federal Home Loan Mortgage Corp, .73%	2,000,000	
Federal Home Loan Mortgage Corp, .70%	1,500,000	
	<u>8,500,000</u>	<u>2,000,013</u>

CITY OF TULARE
INVESTMENTS BALANCE AND YIELD HISTORY FOR EIGHT MONTHS
JULY 31, 2020

BALANCES:	BOOK VALUE MARKET VALUE DIFFERENCE							
	JUNE 2020	MAY 2020	APRIL 2020	MARCH 2020	FEBRUARY 2020	JANAURY 2020	DECEMBER 2019	NOVEMBER 2019
CATEGORY								
Total Investments	170,861,038 <i>171,296,394</i> 435,356	165,843,005 <i>166,437,308</i> 594,303	166,642,140 <i>167,185,686</i> 543,546	160,802,823 <i>161,042,532</i> 239,709	158,825,720 <i>159,013,585</i> 187,865	159,460,643 <i>159,569,550</i> 108,907	141,352,789 <i>141,298,362</i> (54,427)	135,290,877 <i>135,171,807</i> (119,070)
Unrestricted Investments	143,578,103 <i>144,013,459</i> 435,356	137,990,790 <i>138,585,093</i> 594,303	138,181,071 <i>138,724,617</i> 543,546	130,789,038 <i>131,028,747</i> 239,709	130,548,781 <i>130,736,646</i> 187,865	127,672,437 <i>127,781,344</i> 108,907	128,223,897 <i>128,169,470</i> (54,427)	118,073,289 <i>117,954,219</i> (119,070)
Restricted Investments	27,282,935 <i>27,282,935</i> 0	27,852,215 <i>27,852,215</i> 0	28,461,069 <i>28,461,069</i> 0	30,013,785 <i>30,013,785</i> 0	28,276,939 <i>28,276,939</i> 0	31,788,206 <i>31,788,206</i> 0	13,128,892 <i>13,128,892</i> 0	17,217,588 <i>17,217,588</i> 0
Local Agency Investment Fund (LAIF)	44,000,000 <i>44,329,165</i> 329,165	63,000,000 <i>63,471,304</i> 471,304	51,800,000 <i>52,187,517</i> 387,517	24,500,000 <i>24,543,372</i> 43,372	42,000,000 <i>42,074,353</i> 74,353	43,000,000 <i>43,076,123</i> 76,123	36,500,000 <i>36,564,616</i> 64,616	31,500,000 <i>31,551,749</i> 51,749
Fixed Income Investments (Total)	97,395,835 <i>97,502,026</i> 106,191	64,898,098 <i>65,021,097</i> 122,999	77,398,111 <i>77,554,140</i> 156,029	90,750,624 <i>90,946,961</i> 196,337	77,748,862 <i>77,862,374</i> 113,512	73,747,374 <i>73,780,158</i> 32,784	77,247,387 <i>77,128,344</i> (119,043)	76,245,149 <i>76,074,330</i> (170,819)
Commerical Paper	0 <i>0</i> 0	7,761,100 <i>7,761,100</i> 0	7,761,100 <i>7,761,100</i> 0	7,761,100 <i>7,761,100</i> 0	8,100,000 <i>8,100,000</i> 0	7,900,000 <i>7,900,000</i> 0	7,900,000 <i>7,900,000</i> 0	7,900,000 <i>7,900,000</i> 0

AVERAGE STATED YIELDS:

Unrestricted Investments	1.162%	1.672%	1.858%	1.833%	2.020%	2.064%	2.030%	2.130%
Restricted Investments	N/A							
Local Agency Investment Fund (LAIF)	1.217%	1.363%	1.648%	1.787%	1.912%	1.967%	2.043%	2.103%
Fixed Income Investments (Total)	1.020%	1.530%	1.620%	1.650%	1.740%	1.790%	1.790%	1.800%
Commerical Paper		6.000%	6.000%	6.000%	6.000%	6.000%	6.000%	6.000%

**CITY OF TULARE, CALIFORNIA
BOARD OF PUBLIC UTILITIES COMMISSIONERS
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Engineering / Project Management

For Board Meeting of: September 3, 2020

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Award two consecutive one-year contract extensions to Kenneth D. Schmidt and Associates of Fresno, CA in the amount of \$29,250 per well for hydrogeologist consulting and construction support services. Authorize the City Manager or designee to approve contract change orders in an amount not to exceed 10% (\$2,925.00 per well) of the contract award amount.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

At the Board’s October 20, 2016 meeting, a contract with Kenneth D. Schmidt and Associates (KDSA) was approved for a term of three years. The contract with KDSA was the result of Request for Proposals (RFP) No. 17-600 for hydrogeological consulting services to oversee and analyze the results of an estimated ten (10) test wells. At the time the RFP was issued (September 2016), staff had tentatively identified four of seven well site locations. Understanding the time needed to identify and secure rights to construct test wells, the RFP stated, “Any agreement resulting from the successful proposal shall be for a three year period with two options for one year extensions.” With approval of the two one-year options, KDSA’s services would be contracted until October 2021.

Staff has recently identified another potential water well site with a willing property owner and therefore is moving forward with construction of a test well. The test well site is located along the Akers Street alignment approximately 1,100 feet north of Cartmill Avenue. KDSA services covered by the agreement (and option years) are needed to determine the viability of the test well regarding the water quality and water quantity for a production municipal well. The permanent well site, if the test well is successful, will be in the general area of the test well at a site mutually agreed upon by the City and the property owner/developer.

Due to increases in KDSA’s hourly rates since 2016, there is a request to increase the hydrogeological services’ cost per well by \$1,575. Per the executed agreement, the current fee per test well is \$27,675 and the new requested fee is \$29,250. Staff supports the fee increase based on the length of time since the original contract was approved.

STAFF RECOMMENDATION:

Award two consecutive one-year contract extensions to Kenneth D. Schmidt and Associates of Fresno, CA in the amount of \$29,250 per well for hydrogeologist consulting and construction

support services. Authorize the City Manager or designee to approve contract change orders in an amount not to exceed 10% (\$2,925.00 per well) of the contract award amount.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:
N/A

Submitted by: James L. Funk

Title: Project Manager

Date: August 14, 2020

City Manager Approval: RH

**CITY OF TULARE, CALIFORNIA
BOARD OF PUBLIC UTILITIES COMMISSIONERS
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Public Works

For Board Meeting of: September 3, 2020

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Declare that the City of Tulare is in Stage 2 of the revised Water Conservation Ordinance 2020-07 in the City’s Code of Ordinances.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

Public Works staff presented the Board of Public Utilities with a revised Water Conservation Ordinance (Sections 7.32.040 through 7.32.070 of Chapter 7.32 of Title 7 of the City of Tulare Municipal Code) during the Board meeting on May 21, 2020. The Board, by a unanimous vote, approved the recommended changes to the Water Conservation Ordinance, and forwarded the proposed changes to City Council for the reading and adoption of changes to the Code.

On July 7, 2020, City Council, by a unanimous vote, carried to pass-to-print Ordinance 2020-07 as presented. On July 21, 2020, City Council, by a unanimous vote, adopted the revised parts of Sections 7.32.040 through 7.32.070 of Chapter 7.32 of Title 7 of the Water Conservation Ordinance of the City of Tulare Municipal Code.

The revised changes took effect on August 20, 2020.

Under the previous Water Conservation chapter, the City of Tulare was in Stage 3. Staff is requesting that the Stage status be updated to Stage 2 in accordance with the adopted revisions. The revised Stage 2 is nearly a carbon copy of the former Stage 3.

Here are the key features of the revised Stage 2:

- No outdoor irrigation allowed in December, January and February.
- All outdoor irrigation shall occur only three days per week, between midnight and 4.a.m., then again between 9 a.m. and 11 a.m., and then again between 10 p.m. and 12 a.m. on permitted watering days.
- Dwellings with odd-numbered street addresses shall water only on Tuesday, Thursday and Saturday.
- Dwellings with even-numbered street addresses shall water only on Wednesday, Friday and Sunday.
- Monday is a non-watering day.

The key change between the former Stage 3 and the revised Stage 2 is that February is added to the months where outdoor irrigation is prohibited. Another significant change between the former Stage 3 and the revised Stage 2 is that the overseeding of lawns is prohibited. Exception is provided for maintenance of sports fields, and golf course greens and tees.

With the approved revision of the ordinance, staff is recommending that the Board of Public Utilities now declare that the City of Tulare is in Stage 2 of the newly revised Water Conservation Ordinance.

STAFF RECOMMENDATION:

Declare that the City of Tulare is in Stage 2 of the revised Water Conservation Ordinance 2020-07 in the City's Code of Ordinances.

ATTACHMENTS:

Revised Water Conservation Chapter for the City of Tulare's Code of Ordinances.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Signed: Andrew Bettencourt

Title: Management Analyst

Date: August 24, 2020

City Manager Approval: 

ORDINANCE 2020-07

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF TULARE AMENDING
TITLE 7 OF THE MUNICIPAL CODE BY AMENDING CHAPTER 7.32
WATER CONSERVATION**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TULARE AS FOLLOWS TO
WIT:

SECTION 1: Title 7 of the Tulare Municipal Code is hereby amended to amend Chapter
7.32 as follows:

Chapter 7.32 – Water Conservation

Section

- 7.32.010 Purpose.
- 7.32.020 Short title.
- 7.32.030 Authorization.
- 7.32.040 Application.
- 7.32.045 Definitions.
- 7.32.050 Prohibition on water waste.
- 7.32.060 Outdoor water use – Water conservation stages.
- 7.32.070 Exemptions.
- 7.32.080 Violation – Penalties.

7.32.010 Purpose.

It is the purpose and intent of the ordinance codified in this chapter to eliminate water waste and to minimize outdoor water use and to control unnecessary consumption of the available potable water supplies in the city.

§ 7.32.020 Short title.

The Ordinance codified in this chapter shall be known as the “Water Conservation Ordinance of the City of Tulare”.

§7.32.030 Authorization.

The City of Tulare Board of Public Utilities, upon the recommendation of the City Manager, is hereby authorized and directed to implement the applicable provisions of this chapter upon the board’s determination supported by its findings that the implementation is necessary to protect the public welfare and safety including without limitation the City’s long or short term water supply and water quality.

§ 7.32.040 Application.

The provisions of this chapter shall apply to all persons, customers and property within the limits of the city, and shall be included in any contract pertaining to the provision of water services outside of the City limits.

The provisions of this chapter do not apply to uses of water for essential government services such as police, fire, and other similar emergency services.

§ 7.32.045 Definitions.

For the purposes of this chapter, the following terms have the meanings set forth in this section.

- (A) "Commercial nursery" means the use of land, buildings or structures for the growing and/or storing of flowers, fruit trees, ornamental trees, vegetable plants, shrubs, trees and similar vegetation for the purpose of transplanting, for use as stock or grafting, and includes the retail sale or wholesale distribution of such items directly from the premises/lot.
- (B) "Drip irrigation system" means a non-spray, low pressure, and low-volume irrigation system utilizing emission devices with a precipitation or flow rate measured in gallons per hour (GPH), designed to slowly apply small volumes of water at or near the root zone of plants or other landscaping, and in no event, emits more than four (4) gallons of water per hour.
- (C) "Irrigation system" means the components of a system meant to apply water to an area for the purpose of irrigation, including, but not limited to, piping, fittings, sprinkler heads or nozzles, drip tubing, valves and control wiring.
- (D) "Large Landscape Area" means an area of vegetation at least three (3) acres in size supporting a business necessity or public benefit use such as parks, golf courses, schools and cemeteries.
- (E) "Rain event" means any amount of precipitation of more than one-tenth (1/10) of an inch (0.10").
- (F) "Ornamental landscape" means plants for the purpose of improving the aesthetic appearance of property, including but not limited to, tree shrubs, bushes, flowers, ground cover, turf, lawns, and grass, but does not include crops or other agricultural products or special landscape areas.
- (G) "Person" means any natural person or persons, corporation, public or private entity, governmental agency or institution, or any other user of water within the limits of the City of Tulare.
- (H) "Runoff" means water which is not absorbed by the soil or landscape to which it is applied and flows from the landscape onto other areas.
- (I) "Sports Field" means a public or private facility improved with apparatus and/or striping supporting a public benefit use or business necessity that provides turf areas as playing surface for regularly scheduled individual and team sports, and does not include a facility on a residential property.
- (J) "Turf" means a ground cover surface of grass that can be mowed.
- (K) "Water feature" means a design element where open, artificially supplied water performs an aesthetic or recreation function, including, but not limited to, ponds, lakes, waterfalls, fountains and streams.

§ 7.32.050 Prohibition on water waste.

The following uses of water are defined as a “waste of water” and are hereby prohibited, except as otherwise authorized:

(A) The use of water which allows excess water run off to a gutter, ditch or drain. Excess water runoff is runoff in such quantities that the water runoff is capable of flowing or moving in more than droplets on the impervious surface. Every water user is deemed to have his or her water distribution lines and facilities under their control at all times and to know the manner and extent of their water use and excess runoff.

(B) The excessive use, loss or escape of water through breaks, leaks or malfunctions in the water user’s plumbing or distribution facilities after such an event should reasonably have been discovered and corrected. It shall be presumed that a period of 48 hours after discovery is a reasonable time within which to correct the defect causing the water waste to occur.

(C) The washing of vehicles, building exteriors, sidewalks, driveways, parking areas, tennis courts, patios or other paved areas without the use of a positive shut-off nozzle on the hose, which results in excessive runoff, except where necessary in an emergency or to abate a danger to public health and safety. The watering of lawns, ground cover and shrubbery in violation of the Stage then in effect, as described in this ordinance in section 7.32.060.

(D) Irrigation of ornamental landscape or other vegetated areas within 48 hours of a rain even if it is a designated watering day.

(E) Any watering or irrigation of ornamental landscape, turf, or other vegetated area between the hours of 11 a.m. and 6 p.m. on any day, except by the use of a hand-held bucket or similar container, a hand-held hose fitted with a positive shut-off nozzle or device that causes it to cease dispensing water immediately when not in use, or for very short periods of time for the express purpose of adjusting or repairing an irrigation system.

(F) Installation of non-recirculating water systems in commercial car wash and laundry systems.

(G) The draining of swimming pools more than once every three years, except for structural repairs, chemical imbalance, or to comply with public health standards determined by the County Health Officer or City code enforcement officer. Any resident whose swimming pool is drained by order of the City or County for failure to maintain it properly will also be issued a notice of violation. The draining of pools for reasons of health and safety hazards as determined by a City officer or Department of Health is permitted. Pool drain permit applications due to structural repairs or chemical imbalance shall include the results of a pool water test conducted by an independent testing organization which shows a cyanuric acid level above 100 parts per million, total dissolved solids over 2,500 parts per million, or calcium over 450 parts per million, or a statement of repairs from a licensed pool contractor stating the nature and duration of repairs to be made and the date on which the pool will be drained.

(H) Operating a water feature that does not use recirculated water

(I) Food preparation establishments, such as restaurants or cafes, using non-water conserving dish-wash spray valves.

§ 7.32.060 Outdoor water use – Water conservation stages.

No person subject to this ordinance shall knowingly make, cause, use or permit the of water for residential, commercial, industrial, government or any other purpose in a manner contrary to any provision of this chapter, or in an amount in excess of that use permitted by the conservation stage described immediately below then in effect as determined and declared by the Board.

(A) **Stage 1, Mandatory Compliance, Water Alert Condition.** The following restrictions shall apply to all persons year-round unless removed by the board declaring implementation of either Stage 2 or Stage 3 or Stage 4. Upon the board removing all of Stages 2 – 4, Stage 1 shall be in effect.

(1) All outdoor irrigation shall occur only between the hours of 6 p.m. and 10 a.m. on designated days. Outdoor irrigation is permitted at any time if:

- (a) A hand-held faucet filled bucket of five gallons or less is used; or
- (b) A drip irrigation system is used.

(2) Dwellings or establishments with even-numbered street addresses shall water only on Wednesday, Friday, and Sunday, subject to the time restrictions set forth above.

(3) Dwellings or establishments with odd-numbered street addresses shall water only on Tuesday, Thursday, and Saturday, subject to the time restrictions set forth above.

(4) Monday is a non-watering day unless an exemption is on file with the Public Works Department.

(5) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment is permitted only when using a hand-held hose equipped with a positive shut-off nozzle for quick rinses.

(6) The washing of sidewalks, driveways, parking areas, courts, patios, or other paved areas is prohibited unless an approved or conditionally approved exemption is on file with the Public Works Department.

(7) The operation of any ornamental fountain or other water feature structure making similar use of water is prohibited unless the fountain uses a recycling system, such as an electric pump. Water features are any structure other than a swimming pool or spa (as defined in California Health and Safety Code 115921) that use, receive, or discharge water for other than irrigation, or human or animal consumption.

(8) All restaurants are requested to serve water to customers only when specifically requested by customers, and commercial kitchens are required to use pre-rinse spray valves.

(9) Lodging establishments must offer customers the option to not receive linen service between the days of their stay.

(10) The use of water for irrigation of golf greens and tees is permitted only on designated irrigation days between the hours of 8 p.m. and 10 a.m.

(11) Any person found violating any portion of Stage 1 mandatory compliance more than once will be subject to penalties. All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.50.

The foregoing restrictions do not apply to:

- a. Landscape irrigation zones that exclusively use drip irrigation systems.

- b. Irrigation of ornamental landscapes with the use of an attended hand-held bucket or similar container, or an attended hand-held hose equipped with a positive self-closing shut-off nozzle or device.
- c. Operation for very short periods of time for the express purpose of adjusting or repairing an irrigation system. A sign must be displayed notifying the public of the repairs while the area remains wet.
- d. Sports Fields and public and private golf course greens and tees may deviate from the mandatory irrigation day and time restrictions in order to maintain play areas and accommodated event schedules by submitting to the Public Works Director or designee an alternative watering schedule that reduces overall water use by 10% based on their respective 2013 consumption levels.
- e. Large Landscape Areas may deviate from the mandatory irrigation day restrictions by submitting to the Public Works Director or designee an alternative watering schedule that reduces overall water use by 10% based on their respective 2013 consumption levels. Applicants must reapply for the exception annually and provide documentation that the alternative watering schedule achieved the required water use reduction. Documentation may consist of water utility bills, pump electric utility bills, or other documentation that provides the required information.

(B) **Stage 2, Mandatory Compliance, Water Warning Condition.** In addition to all of the provisions included in Stage 1, the following restrictions shall apply upon the Board declaring implementation of Stage 2:

(1) No outdoor irrigation allowed during the months of: December, January and February.

(2) For the months watering is allowed: All outdoor irrigation shall occur only three days per week as described in 7.32.060 (B) (3) - (4), between 12 a.m. and 4 a.m., then again between 9 a.m. and 11 a.m., and then again between 10 p.m. and 12 a.m. on the permitted watering days specified in 7.32.060 (B) (3) - (4). All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.050.

(3) Dwellings or establishments with even-numbered street addresses shall water only on Wednesday, Friday, and Sunday, subject to the permitted time restrictions set forth above.

(4) Dwellings or establishments with odd-numbered street addresses shall water only on Tuesday, Thursday, and Saturday, subject to the permitted time restrictions set forth above.

(5) Monday will be a non-watering day, unless an approved or conditionally approved exemption is on file with the Public Works Department.

(6) Overseeding of lawns is prohibited. Exception is provided for maintenance of sports fields, and golf course greens and tees.

(7) The washing of sidewalks, driveways, parking areas, courts, patios, or other paved areas is prohibited unless an approved or conditionally approved exemption is on file with the Public Works Department. In addition, the following prohibitions will apply:

(a) The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment is permitted only when using a hand-held hose equipped with a positive shut-off nozzle for quick rinses and on one permitted watering days. No fund-raising car washes will be permitted.

(b) Use of water from fire hydrants shall be limited to fire-fighting and/or testing activities necessary to maintain the health, safety and welfare of the citizens of Tulare.

(c) Commercial nurseries and commercial sod farms, sports fields, golf courses, cemeteries, city parks and other large lawn areas will reduce their water consumption by 25% based on their respective 2013 consumption levels.

(8) Any person found violating any portion of Stage 2 mandatory compliance more than once will be subject to penalties. All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.50.

(C) **Stage 3, Mandatory Compliance, Water Emergency Condition.** In addition to all of the provisions included in Stage 1 and Stage 2, the following restrictions shall apply upon the Board declaring implementation of Stage 3:

(1) No outdoor irrigation allowed during the months of: November, December, January and February.

(2) For the months watering is allowed: All outdoor irrigation shall occur only two days per week as described in 7.32.060 (C) (3) - (4), between 12 a.m. and 4 a.m., then again between 9 a.m. and 11 a.m., and then again between 10 p.m. and 12 a.m. on the permitted watering days specified in 7.32.060 (C) (3) – (4). All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.050.

(3) Dwellings or establishments with even-numbered street addresses shall water only on Wednesday and Sunday, subject to the permitted time restrictions set forth above.

(4) Dwellings or establishments with odd-numbered street addresses shall water only on Tuesday and Saturday, subject to the permitted time restrictions set forth above.

(5) Monday, Thursday and Friday are non-watering days, unless an approved or conditionally approved exemption is on file with the Public Works Department.

(6) Any person found violating any portion of Stage 3 mandatory compliance more than once will be subject to penalties. All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.50.

(D) **Stage 4, Mandatory Compliance, Water Emergency Condition, Drought Emergency.** In addition to all of the provisions included in Stages 1 through Stage 3, the following restrictions shall apply upon the Board declaring implementation of Stage 4:

(1) No outdoor irrigation allowed during the months of: November, December, January, February and March.

(2) For the months watering is allowed: All outdoor irrigation shall occur only one day per week as described in 7.32.060 (D) (3) - (4), between 12 a.m. and 4 a.m., then again between 9 a.m. and 11 a.m., and then again between 10 p.m. and 12 a.m. on the permitted watering days specified in 7.32.060 (D) (3) – (4). All persons,

customers and property within the limits of the City shall not commit water waste as identified in 7.32.050.

(3) Dwellings or establishments with even-numbered street addresses can water landscapes on SUNDAY only.

(4) Dwellings or establishments with odd-numbered street addresses can water landscapes on SATURDAY only.

(5) Monday, Tuesday, Wednesday, Thursday and Friday are non-watering days, unless an approved or conditionally approved exemption is on file with the Public Works Department.

(6) The washing down of sidewalks, driveways, parking areas, courtyards, patios, or any other paved areas is prohibited.

(7) Commercial nurseries and commercial sod farms, sports fields, golf courses, cemeteries, city parks and other large lawn areas will reduce their water consumption by 50% based on their respective 2013 consumption levels.

(9) Any person found violating any portion of Stage 4 mandatory compliance will be subject to penalties. All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.50.

(E) **Stage 5, Mandatory Compliance, Water Extreme Emergency Condition, Extreme Drought Emergency.** In addition to all of the provisions included in Stages 1 through Stage 4, the following restrictions shall apply upon the Board declaring implementation of Stage 5:

(1) Dwellings or establishments with even-numbered addresses can hand-water trees and large shrubs on SUNDAY ONLY, between the hours of 7 a.m. and midnight.

(2) Dwellings or establishments with odd-numbered addresses can hand-water trees and large shrubs on SATURDAY ONLY, between the hours of 7 a.m. and midnight.

(3) Any person found violating any portion of Stage 5 mandatory compliance will be subject to penalties. All persons, customers and property within the limits of the City shall not commit water waste as identified in 7.32.50.

§ 7.32.070 Exemptions.

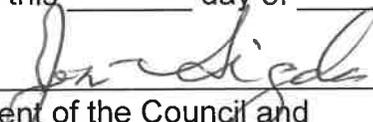
Exemptions from any provision of this ordinance may be requested upon the filing of an application and the payment of the application processing fee. The Public Works Director or designee will, within 30 days after submission of the completed application either reject the request, or approve or conditionally approve the application upon a finding that such an exemption is within the intent of this ordinance and that unusual circumstances make it otherwise impossible or commercially infeasible for the applicant to comply. Where no decision is issued the request will be deemed denied. Appeals of an adverse decision by the Public Works Director or designee may be taken to the board for final decision.

§ 7.32.080 Violations—Penalties.

Any person violating any provision of this chapter shall be subject to penalties and fees as determined by the board by resolution or by the City Council by ordinance or resolution. All remedies provided for herein shall be cumulative and not exclusive.

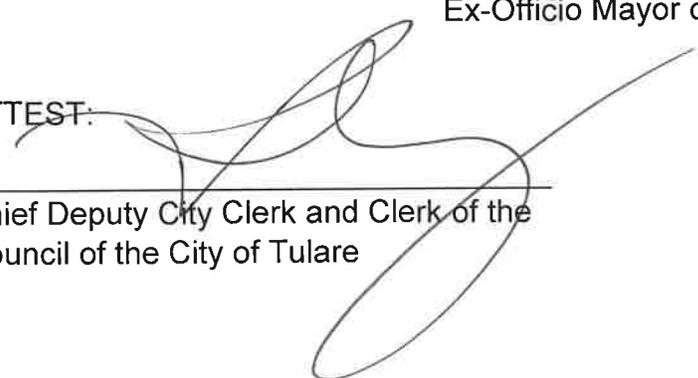
SECTION 2: This ordinance shall be in full force and effect thirty (30) days from and after its passage, adoption, and approval.

PASSED, ADOPTED AND APPROVED this 21st day of July, 2020.



President of the Council and
Ex-Officio Mayor of the City of Tulare

ATTEST:



Chief Deputy City Clerk and Clerk of the
Council of the City of Tulare



ORDINANCE NO. 2020-07

Summary of Ordinance:

AN ORDINANCE OF THE COUNCIL OF THE CITY OF TULARE AMENDING TITLE 7 OF THE MUNICIPAL CODE BY AMENDING CHAPTER 7.32 (WATER CONSERVATION)

It is the purpose and intent of the ordinance codified in this chapter to eliminate water waste and minimize outdoor water use and to control unnecessary consumption of the available potable water supplies in the city.

Copy of full ordinance will be made available at the office of the City Clerk, City Hall, 411 East Kern Avenue, Tulare.

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss
CITY OF TULARE)

I, Rob A. Hunt, City Manager / City Clerk of the City of Tulare and Clerk of the Council of said city, do hereby certify that at a regular meeting of said City Council held on the **7th day of July 2020**, the foregoing **Ordinance No. 2020-07** was passed-to-print and ordered published in the Tulare Advance Register, a newspaper of general circulation published in the City of Tulare, by the following vote:

**AYES: COUNCIL MEMBERS: Dennis Mederos
Terry Sayre
Carlton Jones
Greg Nunley
Jose Sigala**

NOES: COUNCIL MEMBERS: None

ABSTAIN/RECUSE: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ROB A. HUNT, TULARE CITY MANAGER / CITY CLERK

BY: _____
Chief Deputy City Clerk and Clerk
of the Council of the City of Tulare

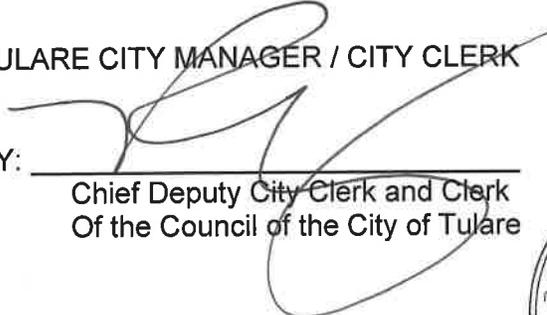


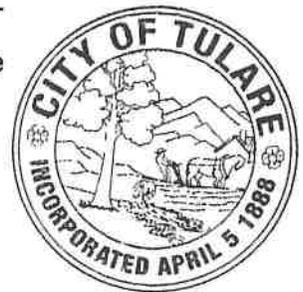
STATE OF CALIFORNIA)
COUNTY OF TULARE) ss
CITY OF TULARE)

I, Rob Hunt, City Manager / City Clerk of the City of Tulare and Clerk of the Council of said city, do hereby certify that the foregoing **Ordinance No. 2020-07** was duly adopted by the City Council of said city and was signed by the President of said Council at a regularly scheduled meeting of said City Council held on the **21st day of July, 2020** and was approved by the following vote:

AYES:	COUNCIL MEMBERS:	Dennis Mederos Jose Sigala Terry Sayre Carlton Jones Greg Nunley
NOES:	COUNCIL MEMBERS:	None
ABSTAIN/RECUSED:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

TULARE CITY MANAGER / CITY CLERK

BY: 
Chief Deputy City Clerk and Clerk
Of the Council of the City of Tulare



**CITY OF TULARE, CALIFORNIA
BOARD OF PUBLIC UTILITIES COMMISSIONERS
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Engineering Services / Project Management

For Board Meeting of: September 3, 2020

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Authorize staff to declare as surplus the equipment, tanks, and various salvageable items to be removed as part of the well abandonment project (Project WT0052).

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

As part of the ongoing TCP mitigation efforts programmed in the Fiscal Year 2020/2021 CIP Budget, five wells are currently offline and scheduled to be abandoned. This is due either to the presence of TCP in the wells, maintenance issues related to obsolete, failed or aged equipment, and/or because these wells have low production rates. The wells are:

- Well #2 located south of Sonora Avenue between ‘S’ / ‘T’ Street alley and ‘T’ Street,
- Well #8 located at the northeast corner of Kern Avenue and ‘O’ Street,
- Well #20 located on the north side of Gem Street between Sandra Avenue and Gail Avenue,
- Well #23 located adjacent to and at the rear of 963 Cardoza Drive, and
- Well #24 located at the northeast corner of Laspina Street and Levin Avenue.

A Request for Bids (RFB) has been prepared for the well abandonment project that instructs the Contractor to remove and salvage various pumps, motors, pipes, tanks, and electrical equipment from the sites. Upon removal, the Contractor will be the owner of the equipment and will benefit from any salvage value of equipment removed, thereby lowering the overall cost of the project to the City. The cost to abandon the wells and remove salvageable equipment is expected to exceed any salvage value the Contractor may receive for the equipment. The bid schedule in the RFB requires the contractor to identify the salvage value of equipment removed for each well site. The salvage value will take into account all costs to remove, load, haul, and pay any disposal fees.

The project also includes the removal and disposal of non-salvageable items including concrete slabs and footings, shade structures and well house buildings, and conduits, conductors and pipes. Voids created by the removal of equipment, slabs, footings and the abandonment of the wells will be backfilled and compacted by the Contractor with clean fill material. The City has or will remove all equipment and items of value that may be used in the future before the Contractor starts work.

In accordance with public contract codes and City procurement standards, the project is a competitive bid with the lowest responsible and responsive bidder typically awarded a contract. Therefore, it is expected that Contractors will be encouraged to pass along much of the salvage value credit to the City to generate the lowest bid. Staff is prepared to advertise the well abandonment project for bids immediately following the Board's decision on declaring the well equipment, tanks, and salvageable items as surplus.

STAFF RECOMMENDATION:

Authorize staff to declare as surplus the equipment, tanks, and various salvageable items to be removed as part of the well abandonment project (Project WT0052).

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Submitted by: James L. Funk

Title: Project Manager

Date: August 26, 2020

City Manager Approval: RH

**CITY OF TULARE, CALIFORNIA
BOARD OF PUBLIC UTILITIES COMMISSIONERS
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Engineering Services / Project Management

For Board Meeting of: September 3, 2020

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Disqualify and reject the low bid of \$1,631,670.00 for construction of TCP mitigation measures at Well #35 and Well #44 (Project No. WT0046) by Steve Dovali Construction Inc. of Fresno, CA on the basis of the bid being non-responsive and award to the following:

- a. Award and authorize the City Manager or designee to sign a contract with W. M. Lyles Co., of Fresno, CA in an amount not to exceed \$1,647,700.00 for construction of TCP mitigation measures at Well #35 and Well #44 (Project No. WT0046) and authorize the City Manager or designee to approve contract change orders in the amount not to exceed 10% (\$164,770.00) of the contract amount.

Or, alternatively consider the following actions:

- b. Award and authorize the City Manager or designee to sign a contract with Steve Dovali Construction Inc. of Fresno, CA in an amount not to exceed \$1,631,670.00 for construction of TCP mitigation measures at Well #35 and Well #44 (Project No. WT0046) and authorize the City Manager or designee to approve contract change orders in the amount not to exceed 10% (\$163,167.00) of the contract amount; or,
- c. Reject all bids and instruct staff to re-advertise for bids the TCP Mitigation Project, Group 3 Well #35 and Well #44.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

In 2014, the City prepared a 1,2,3-TCP Mitigation Feasibility Study which identified trichloropropane (TCP) in detectable levels at or above the Public Health Goal of 7 parts per trillion (ppt) in thirteen (13) of the City of Tulare wells. The City received a settlement in 2016 pertaining to groundwater contamination from TCP, and funds were set aside for the costs associated with treating groundwater in the future. In anticipation of the proposed State regulations for TCP, Project WT0032 was created and included in the City's 2017-2022 Transportation and Utility Capital Improvement Program. As expected, the State established a Maximum Contaminant Level (MCL) of 5 ppt for TCP on July 18, 2017. As part of the Finance Department closing out Fiscal Year 2018/2019 Project WT0032 was closed. Therefore, in Fiscal Year 2019/2020 the balance of funds in WT0032 were moved to new TCP Mitigation Project WT0046.

A Professional Services Agreement with Provost & Pritchard was approved by the BPU in December 2017 for the design, bidding, and construction support services for construction of TCP treatment at six (6) City well sites. During design in 2018, Well #44 tested above the MCL for TCP. Well #44 is a necessary supply source for the City's water system to meet peak hour demand, so it was added to Provost & Pritchard's scope of work as a seventh well site.

Due to some constraints with land acquisition, the project was initially split into two groups to allow some of the overall project to move forward more quickly. Group 1 consisted of Wells #17 and #37, and Group 2 consisted of Wells #11, #34, and #38. Both Group 1 and 2 have since been successfully completed.

A third group (Group 3) was created to add in Well #44 to the project, and to allow additional time to secure needed property at Well #35. Well #35 is located on the south side of Bardsley Avenue, east of the southeast corner of Mooney Boulevard and Bardsley Avenue. Well #44 is located on the south side of Bardsley Avenue, west of the COS Tulare campus. The additional property necessary to construct the TCP treatment facilities at both Well #35 and Well #44 has been secured.

The Request for Bids (RFB #21-716) for the TCP Mitigation, Group 3 Project covers construction of above ground Granular Activated Carbon (GAC) treatment vessels at both well sites. The Contractor's work at Well #35 will include extension of an offsite storm drain line and replacement of the existing pump motor control center. The work at each site also includes above and below ground piping and site work including grading, electrical, concrete flatwork, and fencing.

As a means to accelerate the timeline to bring the Group 2 and 3 wells online, the BPU approved the purchase of the GAC vessels under a separate contract directly from Aqueousvets (the manufacturer). The Group 3 vessels have been manufactured and are awaiting shipment to the sites.

The Engineer's Estimate for this project is \$1,575,500.

On August 11, 2020, five (5) bids were opened for the subject contract. The bids received were:

	<u>Bid Total</u>
• Steve Dovali Construction Inc:	\$1,631,670.00
• W. M. Lyles Co:	\$1,647,700.00
• HPS Mechanical:	\$1,648,477.00
• Clark Brothers:	\$1,947,700.00
• UCI Construction:	\$2,438,160.00

Steve Dovali Construction Inc.'s (SDCI) bid has been evaluated, and it has been determined that it is non-responsive to the requirements and instructions contained in the bid documents. Specifically, the RFB required contractors to submit five references for Wellhead Treatment Projects completed in the past five years. SDCI submitted five references, of which only two narrowly meet the reference requirement. These two SDCI projects included construction of hydro-pneumatic tanks. Based upon the fact that only two of the five references are valid per General Provisions, Section 3.3 - Award of Contract of the RFB, which includes non-cost

related reasons for rejection of a bid, Steve Dovali Construction Co.'s bid is considered non-responsive for not meeting the construction reference requirements of the RFB. The City Attorney has reviewed staff's recommendation and agrees with the position that the bid is considered non-responsive.

The next lowest bid is from W. M. Lyles Co. of Fresno, California. Staff has reviewed their bid and found it to be responsive, and the contractor qualified in accordance with the RFB requirements. W.M. Lyles has successfully completed the Group 1 and 2 TCP mitigation projects. W. M. Lyles Co. possesses a current and active Class A, General Engineering license issued by the State of California, and has submitted a list of licensed and experienced subcontractors who will be performing portions of the work.

STAFF RECOMMENDATION:

Disqualify and reject the low bid of \$1,631,670.00 for construction of TCP mitigation measures at Well #35 and Well #44 (Project No. WT0046) by Steve Dovali Construction Inc. of Fresno, CA on the basis of the bid being non-responsive and award to the following:

- a. Award and authorize the City Manager or designee to sign a contract with W. M. Lyles Co., of Fresno, CA in an amount not to exceed \$1,647,700.00 for construction of TCP mitigation measures at Well #35 and Well #44 (Project No. WT0046) and authorize the City Manager or designee to approve contract change orders in the amount not to exceed 10% (\$164,770.00) of the contract amount.

Or, alternatively consider the following actions:

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- c. Reject all bids and instruct staff to re-advertise for bids the TCP Mitigation Project, Group 3 Well #35 and Well #44.

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Submitted by: James L. Funk

Title: Project Manager

Date: August 26, 2020

City Manager Approval: RH

**CITY OF TULARE, CALIFORNIA
BOARD OF PUBLIC UTILITIES COMMISSIONERS
AGENDA ITEM TRANSMITTAL SHEET**

Submitting Department: Public Works

For Board Meeting of: September 3, 2020

Documents Attached: Ordinance Resolution Other None

AGENDA ITEM:

Award and authorize the City Manager to sign a three-year contract with Routeware, Inc., in the amount of \$616,800.16 subject to minor conforming changes acceptable to the City Manager and City Attorney to provide a route and work order management system for the Solid Waste Division; authorize the City Manager or designee to approve contract change orders in an amount not to exceed \$54,000; and approve the proposed project budget and funding appropriations.

IS PUBLIC HEARING REQUIRED: Yes No

BACKGROUND/EXPLANATION:

The City of Tulare Solid Waste Division collects municipal waste from more than 19,000 residential and commercial accounts within city limits, including general trash, recyclables, green waste, and organic waste. Current tracking of day-to-day operations are manually done and paper-based – ie: paper/handwritten maps, emailed/printed work orders, cell phone pictures, etc.

In 2017, the City of Tulare prepared a Request for Qualifications (RFQ) and awarded R3 Consulting Group Inc. a contract to conduct an Operations and Rate Study for the Solid Waste Division. To conduct these studies, R3 compared City solid waste operations and rates to the solid waste industry. R3 then proposed action items for the division to take and identified approximate associated costs. Identified costs were then incorporated into proposed rates that were then adopted.

One of the findings of the operations study was that the City needed to review the needs for technology within the division and the study strongly recommended further evaluation and implementation of a solid waste specific customer relationship management system (CRM). A CRM system serves as an operational center for the division and is designed to allow for improved communications, route and work order management and real-time reporting of collection activities.

With the adoption of the study and the new solid waste rates, a working committee was established to further review the technology needs for the division. The committee was made up of solid waste, information technology and public works administrative personnel. Together this committee reviewed the R3 study and the operations of not just solid waste, but of the combined utility billing nature of City of Tulare (Single bill for water, solid waste and sewer

services). Because the City of Tulare desires to send a combined utility bill to the customers, a separate CRM system was determined not to be the best fit. Alternatively, a route management and work order system was determined to be the best path forward. Essentially, a route management and work order system is a CRM without the separate billing component.

On October 31, 2019, the City released a Request for Proposal (RFP #20-696) for qualified firms to provide and maintain a Solid Waste Route Management & Work Order System. The City received three responses.

A selection committee was formed and evaluated all received proposals. Two of the proposals were determined to be finalists. Presentation/Demonstration meetings were held with the finalists. After comprehensive background checks on both finalists, Routeware was selected as being the best fit in response to the City's RFP.

KEY FEATURES OF ROUTEWARE:

- **Complete Fleet Management System:** Routeware provides a comprehensive platform for the Solid Waste division to manage all facets of its on-road operations. The Solid Waste manager and supervisors can see real-time updates on where each of the division's trucks are located. It allows drivers to provide customer service real-time updates on routes. The system provides dozens of analytical reports that can help determine most efficient routes, residents' participation rates, accurate scale readings (to help confirm landfill fees), and monitor route efficiency.
- **Control Center:** The Routeware Control Center will allow the Solid Waste manager and supervisors to create and dispatch work orders and routes, monitor route progress, track vehicles and drivers, store service histories, play-back routes, manage/alter routes in order to meet the division's daily goals, and display reports that affect every phase of the division's operations.
- **Service Confirmation:** One of the primary customer-care issues that the Public Works Department handles is confirmation of Solid Waste services. It usually comes down to a "Customer Says This, Driver Says That" scenario. Using Routeware's services, we will have photographic proof of whether or not service was completed. When an address isn't serviced, the driver will push a button that will take a picture of the address and explain why service wasn't completed. Customer service staff will have access to those photos to help when customers call to ask about their service.
- **Live/Recorded Video:** Live video will provide confirmation on a route's status, potential issues, etc. A live video feed will improve drivers' at-the-wheel safety performances, and having live video readily available will help efficiency in accident reporting or other on-road issues.
- **Driver Coaching Tool:** By using Routeware's wide assortment of reports and route play-back capabilities, the Solid Waste manager and supervisors can go through route management with each driver. It will be a valuable teaching platform for new drivers, as they can learn how the route was done efficiently in the past.

The anticipated costs for the system were included in the rate study and were adopted with the rate resolution. Included in the rate calculations were a one-time cost of \$537,000 for the project with annual recurring costs of \$84,000.

The one-time costs for this project as proposed are \$346,721.32 and recurring costs are identified as \$90,026.27 per year. While the recurring costs are slightly higher than originally forecasted, the one-time costs are significantly lower, and the amount of the recurring costs increase is manageable.

In addition to the one-time costs of \$346,721.32, the overall proposed budget for the project includes \$35,000 in potential costs for shipping and handling, travel and possible GIS mapping and a 5% (\$19,000) contingency that is not part of the proposed Routeware agreement. This budget is detailed in the Routeware Project Sheet (Attachment 1).

Following is a breakdown of costs in the \$616,800.16 that is proposed to be contracted to Routeware through the agreement:

• One-time costs	\$346,721.32
• <u>Recurring costs (3-year contract includes 1st year)</u>	<u>\$270,078.84</u>
Total	\$616,800.16

As shown on the attached project budget worksheet funding will come from Fund 012 – Solid Waste Operations Fund Balance. The recurring costs will be budgeted and allocated annually in the operations & maintenance budget for each benefitting division.

STAFF RECOMMENDATION:

Award and authorize the City Manager to sign a three-year contract with Routeware, Inc., in the amount of \$616,800.16 subject to minor conforming changes acceptable to the City Manager and City Attorney to provide a route and work order management system for the Solid Waste Division; authorize the City Manager or designee to approve contract change orders in an amount not to exceed \$54,000; and approve the proposed project budget and funding appropriations.

ATTACHMENTS:

- Attachment 1: Routeware Project Sheet
- Attachment 2: Routeware-City Agreement
- Attachment 3: Appendix “A”: Scope of Work
- Attachment 4: Appendix “B”: Payment Milestones
- Attachment 5: Appendix “C”: Routeware Master Sales and License Agreement
- Attachment 6: Appendix “D”: Routeware Cloud Hosting Service Level Agreement
- Attachment 7: Appendix “E”: Routeware Support Plan Terms & Conditions
- Attachment 8: Routeware Cost Proposal
- Attachment 9: Link to Routeware Video

CITY ATTORNEY REVIEW/COMMENTS: Yes N/A

IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED: Yes No N/A

FUNDING SOURCE/ACCOUNT NUMBER:

Signed: Andrew Bettencourt

Date: August 25, 2020

Title: Management Analyst

City Manager Approval: RH

NEW PROJECT FORM

Solid Waste Fleet Management & Work Order System

PROJECT MANAGER: Andrew Bettencourt

PROJECT DESCRIPTION & PURPOSE: Installation of a Solid Waste Route Management Software system that would provide the tools to run the department in a more efficient and timely fashion. Goal is to reduce costs, improve safety, improve efficiency, and improve customer service.

PROJECT STATUS: Awaiting approval from the Board of Public Utilities

PROJECTED START DATE: November 1, 2020

PROJECTED END DATE: October 31, 2023

FUTURE M & O: Initial three-year agreement with fixed costs. Future years to increase by 3% (maximum) per year. Annual Equipment replacement cost will increase based on expected lifespan.

	Fiscal Year					Total	Unfunded
	2020/21	2020/21	2021/22	2022/23	2023/24		
Estimated Costs							
CRM System	\$0	\$263,202	\$90,026	\$90,026	\$0	\$443,254	\$0
On-Board Computers	\$0	\$173,546	\$0	\$0	\$0	\$173,546	
Travel & Shipping	\$0	\$25,000	\$0	\$0	\$0	\$25,000	
GIS	\$0	\$10,000	\$0	\$0	\$0	\$10,000	
Contingency	\$0	\$19,000	\$0	\$0	\$0	\$19,000	
Total Costs:	\$0	\$490,748	\$90,026	\$90,026		\$670,800	\$0
Funding Sources							
Solid Waste Rate Model		\$490,748	\$90,026	\$90,026		\$670,800	\$0
Total Funding:		\$490,748	\$90,026	\$90,026		\$670,800	\$0

PROFESSIONAL SERVICES AGREEMENT

PROJECT NAME

This Agreement, entered into this _____ day of _____, 20____, by and between the City of Tulare, hereinafter referred to as the "CITY", and Routeware hereinafter referred to as the "CONSULTANT".

WITNESSETH

WHEREAS, the CITY is authorized and empowered to employ consultants and specialists in the performance of its duties and functions; and

WHEREAS, the CITY has the desire to secure certain technical and professional services to assist in the preparation and completion of the items of work that will be described in project specific Task Orders; and

WHEREAS, the CONSULTANT represents it is licensed, qualified and willing to provide such services pursuant to terms and conditions of this Agreement.

NOW, THEREFORE, CITY and CONSULTANT agree as follows:

I. SERVICES TO BE PERFORMED BY THE CONSULTANT

A. Authorized Scope of Work

The CONSULTANT agrees to perform all work necessary to complete in a manner satisfactory to the CITY those tasks described in Exhibit "A" – Scope of Work for the cost identified in Exhibit "B" – Payment Milestones.

B. Additional Services

Incidental work related to the PROJECT and not provided for in Appendix "A" may be needed during the performance of this Agreement. The rate for such additional service will be agreed to by CITY and CONSULTANT prior to commencement of work. Such additional services shall not be performed by CONSULTANT without the express written consent of CITY.

II. TIME OF PERFORMANCE

The Term of this Agreement shall be 36 months from the Effective Date of this Agreement ("Initial Term"). Upon expiration of a Term, the Term shall automatically renew under the same terms and conditions for an additional 12-month term ("Renewal Term"), unless terminated under

the terms of this Agreement or by otherwise giving the other party no less than 30 days of written Notice prior to the last day of the then-current Term.

III. COMPENSATION

- A. Total Compensation
For equipment and services performed pursuant to this Agreement, the CITY agrees to pay and the CONSULTANT agrees to accept, as payment in full, Five hundred seventy-two thousand, two hundred and forty-seven dollars and 57 cents (\$572,247.57) for all hardware, software, and services rendered. Compensation is not inclusive of taxes. The CITY estimates taxes to be in the amount of forty-four thousand, five hundred and fifty-two dollars and 64 cents (\$44,552.59).
- B. CITY agrees to pay and CONSULTANT agrees to accept payment for services for each order independently in Appendix "A" once, according to the payment milestones as outlines in Appendix "B". Completion and acceptance will be defined as the final acceptance Criteria in Appendix "A" for the hardware, software and services outlined. Payment by CITY shall be within thirty (30) days following the first of the month for which payment is due, subject to CITY accounting procedures.

The monthly fees set out in Appendix "F" shall be annually adjusted no more than 3 percent on an annual basis after the completion of the Initial Term.

IV. AUTHORIZED REPRESENTATIVE

- A. CITY: Public Works management analyst Andrew Bettencourt shall represent the CITY in all matters pertaining to the services to be rendered under this Agreement, except where approval of the City Council of the City of Tulare is specifically required.
- B. CONSULTANT: Chelsea Bailey, Regional Sales Director, shall represent and act as principle for CONSULTANT in all matters pertaining to the services to be rendered by it under this Agreement.

V. TERMINATION

The right to terminate this Agreement, with or without cause, may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

- A. Termination By Either Party Without Cause: The CITY or CONSULTANT may terminate this Agreement upon the conclusion of the initial term or subsequent term thereafter. Such termination will be done at least 30 days before the conclusion of the term and be given in writing per the terms of the Routeware MSLA (Appendix C).

B. Termination of Agreement for Cause: The CITY may by written notice to the CONSULTANT specifying the effective date thereof, at least thirty (30) days before the effective date of such termination, terminate the whole or any part of this Agreement in any of the following circumstances:

1. If the CONSULTANT fails to perform the services called for by this Agreement within time(s) specified herein or any extension thereof; or
2. If the CONSULTANT fails to make progress under this Agreement as to endanger performance of this Agreement in accordance with its terms, and does not correct such failure within a period of thirty (30) days (or longer period as the CITY may authorize in writing) after receipt of notice from the CITY specifying such failure.

C. Post-Termination:

1. In the event the CITY terminates this Agreement with or without cause, the CITY may procure, upon such terms and such manner as it may determine appropriate, services similar to those terminated.
2. Except with respect to defaults of sub consultants, the CONSULTANT shall not be liable for any excess costs if the failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of the CONSULTANT. Such causes include, but are not limited to, acts of God or of the public enemy, floods, epidemics, quarantine restrictions, strikes, and unusually severe weather; but in the event the failure to perform is caused by the default of a sub consultant, the CONSULTANT shall not be liable for failure to perform, unless the services to be furnished by the sub consultant were obtainable from other sources in sufficient time and within budgeted resources to permit the CONSULTANT to meet the required delivery schedule or other performance requirements.
3. Should the Agreement be terminated with or without cause, the CONSULTANT shall provide the CITY with all finished and unfinished documents, data, studies, services, drawings, maps, models, photographs, reports, etc., prepared by the CONSULTANT pursuant to this Agreement.
4. Upon termination, with or without cause, CONSULTANT will be compensated for the services satisfactorily completed to the date of termination according to compensation provisions contained herein. In no event, shall the total compensation paid CONSULTANT exceed the total compensation agreed to herein.
5. If, after notice of termination of this Agreement, as provided for in this article, it is determined for any reason that the CONSULTANT was not in default under the provisions of this article, then the rights and obligations of the parties shall be the same as if the Agreement was terminated without cause.

6. Termination of this Agreement shall not terminate any obligation to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination activities.
7. In the event the Agreement is terminated for cause pursuant to Section V.B above, a refund amount for any unused portion of a maintenance, hosting or licensing fee shall be calculated on a pro-rated basis and returned to the CITY.
8. Upon expiration or termination of the Contract, CONSULTANT shall make available to the CITY any and all data and other information produced as a result of the agreement. Upon mutual agreement that the CITY has received data and other information, the CONSULTANT shall destroy all information it received from the CITY or created or received by CONSULTANT on behalf of the City, provided that in the event the CONSULTANT determines that returning or destroying the information is infeasible, and/or CONSULTANT is required to maintain records containing the information, CONSULTANT will extend the protections of this Agreement for so long as CONSULTANT maintains the information. The method of destruction shall be accomplished by "purging" or "physical destruction", in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 Rev. 1. Upon request by the CITY, CONSULTANT shall certify in writing to the CITY that destruction of data has been completed. Prior to such destruction, CONSULTANT shall continue to protect City data in accordance with this Agreement.
9. In the event the Agreement is terminated for cause, a refund amount for any unused portion of a maintenance, hosting or licensing fee shall be calculated on a pro-rated basis and returned to the CITY.

VI. INTEREST OF OFFICIALS AND THE CONSULTANT

- A. No officer, member, or employee of the CITY who exercises any functions or responsibilities in the review or approval of this Agreement shall:
 1. Participate in any decision relating to this Agreement which effects their personal interest or the interest of any corporation, partnership, or association in which they have, directly or indirectly, any interest; or
 2. Have any interest, direct or indirect, in this Agreement or the proceeds thereof during his tenure or for one year thereafter.
- B. The CONSULTANT hereby covenants that they have at the time of the execution of this Agreement, no interest, and that they shall not acquire any interest in the future, direct or

indirect, which would conflict in any manner or degree with the performance of services required to be performed pursuant to this Agreement. The CONSULTANT further covenants that in the performance of this work, no person having any such interest shall be employed.

VII. NO PERSONNEL AGENCY, COMMISSION, OR CONTINGENT FEE

The CONSULTANT warrants, by execution of this Agreement, that no personnel agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide established commercial or selling agencies maintained by the CONSULTANT for the purpose of securing business. For breach or violation of this warranty, the CITY shall have the right to annul this Agreement without liability or, in its discretion, to deduct from this Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

VIII. SUBCONTRACTING

- A. The CONSULTANT shall not subcontract or otherwise assign any portion of the work to be performed under this Agreement without the prior written approval of the CITY.
- B. In no event shall the CONSULTANT subcontract work in excess of 50% of the contract amount, excluding specialized services. Specialized services are those items not ordinarily furnished by a consultant performing the particular type of project.
- C. All subcontracts exceeding \$25,000 shall contain all provisions required of the prime contract.

IX. INDEPENDENT CONTRACTOR

In the performance of the services herein provided for, the CONSULTANT shall be, and is, an independent contractor and is not an agent or employee of the CITY. The CONSULTANT has and shall retain the right to exercise full control and supervision of all persons assisting the CONSULTANT in the performance of said services hereunder. The CONSULTANT shall be solely responsible for all matters relating to the payment of its employees including compliance with social security and income tax withholding and all other regulations governing such matters.

X. SPECIFICATIONS

All specifications, manuals, standards, etc., either attached to this Agreement or incorporated by reference, are binding as to the performance of the work specified in this

Agreement unless they are changed by written amendment to this Agreement modified in writing to incorporate such changes.

XI. DOCUMENTS/DATA

- A. Ownership of Documents: All original papers and documents, produced as a result of this Agreement, shall become the property of the CITY. In addition, CITY shall be provided with access and use of any other papers and documents consistent with the purpose and scope of services covered by this Agreement. Any additional copies, not otherwise provided for herein, shall be the responsibility of the CITY.

Documents, including drawings and specifications, prepared by CONSULTANT pursuant to this Agreement, are not intended or represented to be suitable for reuse by CITY or others on extensions of the PROJECT or on any other project. Any use of the completed documents for other projects and any use of incomplete documents without the specific written authorization from CONSULTANT will be at CITY's sole risk and without liability to CONSULTANT. Further, any and all liability arising out of changes made to CONSULTANT's deliverables under this Agreement by CITY or persons other than CONSULTANT is waived as against CONSULTANT, and the CITY assumes full responsibility for such changes unless the CITY has given CONSULTANT prior notice and has received from CONSULTANT written consent for such changes.

- B. Ownership of Data: All data contained within the system, produced as a result of this Agreement, shall become property of the CITY.
- C. Publication: No report, information, or other data given or prepared or assembled by the CONSULTANT pursuant specifically and exclusively to this Agreement, shall be made available to any individual or organization by the CONSULTANT without the prior written approval of the CITY. Notwithstanding the foregoing, however, the CONSULTANT shall not be required to protect or hold in confidence and confidential information which (1) is or becomes available to the public with the prior written consent of the CITY; (2) must be disclosed to comply with law; or (3) must be disclosed in connection with any legal proceedings.
- D. Copyrights: The CONSULTANT shall be free to copyright material developed under this Agreement with the provision that the CITY (and any funding agency) be given a nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use the material for government or public purposes.
- E. Patent Rights: Applicable patent rights provisions described in 41 CFR 1-9.1 regarding rights to inventions shall apply to this agreement.

XII. INDEMNIFICATION AND INSURANCE

- A. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend, and hold

harmless City and any and all of its officials, employees and agents from and against any and all losses, liabilities, damages, costs, and expenses, including legal Consultant's fees and costs but only to the extent the Consultant (and its SubConsultants), are responsible for such damages, liabilities and costs on a comparative basis of fault between the Consultant (and its SubConsultants) and the City in the performance of professional services under this agreement.

- B. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend, and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal Consultant's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of the performance of this Agreement by Consultant or by any individual or City for which Consultant is legally liable, including, but not limited to officers, agents, employees, or subcontractors of Consultant.
- C. Without limiting CITY's right to indemnification, it is agreed that CONSULTANT shall secure prior to commencing any activities under this Agreement, and maintain during the term of this Agreement, insurance coverage as follows:
 - 1. Workers' compensation insurance: Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance with limits of at least five hundred thousand dollars (\$500,000). Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees, and volunteers.
 - 2. General liability insurance: Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. Consultant's general liability policies shall be primary and shall not seek contribution from the City's coverage, and be endorsed using Insurance Services Office form CG 20 10 (or equivalent) to provide that City and its officers, officials, employees, and agents shall be additional insureds under such policies.
 - 3. Professional liability insurance: Consultant shall maintain professional liability insurance that insures against professional errors and omissions that may be made in performing the Services to be rendered in connection with this Agreement, in the minimum amount of two million dollars (\$2,000,000) per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement, and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

4. Auto liability insurance: Consultant shall provide auto liability coverage for non-owned, and hired autos using ISO Business Auto Coverage form CA 00 01, or the exact equivalent, with a limit of no less than one million dollars (\$1,000,000) per accident.
5. Cyber liability insurance: Consultant shall provide cyber liability insurance with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

- D. CITY'S Risk Manager is hereby authorized to reduce the requirements set forth above in the event he/she determines that such reduction is in the CITY'S best interest.
- E. Each insurance policy required by this Agreement shall contain the following clause:

"This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice has been given to the City Clerk, City of Tulare, 411 East Kern Avenue, Tulare, CA 93274."

In addition, the commercial general liability and comprehensive automobile liability policies required by this Agreement shall contain the following clauses:

"It is agreed that any insurance maintained by the City of Tulare shall apply in excess of and not contribute with insurance provided by this policy."

"The City of Tulare, its officers, agents, employees, representatives and volunteers are added as additional insured as respects operations and activities of, or on behalf of the named insured, performed under contract with the City of Tulare."

- F. Prior to commencing any work under this Agreement, CONSULTANT shall deliver to CITY insurance certificates confirming the existence of the insurance required by this Agreement, and including the applicable clauses referenced above. Within thirty (30)

days of the execution date of this Agreement, CONSULTANT shall provide to CITY endorsements to the above-required policies, which add to these policies the applicable clauses referenced above. Said endorsements shall be signed by an authorized representative of the insurance company and shall include the signatory's company affiliation and title. Should it be deemed necessary by CITY, it shall be CONSULTANT's responsibility to see that CITY receives documentation acceptable to CITY which sustains that the individual signing said endorsements is indeed authorized to do so by the insurance company. CITY has the right to demand, and to receive within a reasonable time period, copies of any insurance policies required under this Agreement.

- G. In addition to any other remedies CITY may have if CONSULTANT fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option:
1. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; or
 2. Order CONSULTANT to stop work under this Agreement and/or withhold any payment(s) which become due to CONSULTANT hereunder until CONSULTANT demonstrates compliance with the requirements hereof; or
 3. Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to other remedies CITY may have and is not the exclusive remedy for CONSULTANT's failure to maintain insurance or secure appropriate endorsements.

Nothing herein contained shall be construed as limiting in any way the extent to which CONSULTANT may be held responsible for payments of damages to persons or property resulting from CONSULTANT's or its sub-consultant's performance of the work covered under this Agreement.

XIII. NON-DISCRIMINATION

CONSULTANT and all sub-consultants shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, or sex in the performance of this Agreement. Failure by the consultant to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement.

XIV. MISCELLANEOUS PROVISIONS

- A. Successors and Assigns: This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.

- B. Prohibition of Assignment: Neither the CITY nor CONSULTANT shall assign, delegate or transfer their rights and duties in this Agreement without the written consent of the other party. Notwithstanding the foregoing, CONSULTANT may assign its rights under this Agreement without the CITY's written consent in the event of any successor or assign that has acquired all, or substantially all, of the CONSULTANT'S business by means of merger, stock purchase, asset purchase, or otherwise.
- C. Dispute/Governing Law: Any dispute not resolvable by informal arbitration between the parties to this Agreement shall be adjudicated in a Court of Law under the laws of the State of California.
- D. Notices: Notice shall be sufficient hereunder if personally served upon the City Clerk of the CITY or an officer or principal of the CONSULTANT, or if sent via the United States Postal Service, postage prepaid, addressed as follows:

CITY OF TULARE:
411 East Kern Avenue
Tulare, CA 93274
Attention: City Clerk

CONSULTANT:
Routeware
16525 SW 72nd Avenue
Building F
Portland, OR 97224
Attention: Contracts

- E. Jurisdiction/Venue/Waiver Of Removal: This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that State. Any action brought to interpret or enforce this Agreement, or any of the terms or conditions hereof, shall be brought in Tulare County, California. The CONSULTANT hereby expressly waives any right to remove any action to a county other than Tulare County as permitted pursuant to Section 394 of the California Code of Civil Procedure.
- F. Integration/Modification: This Agreement and each of the Appendices referenced herein, which are incorporated by reference, represents the entire understanding of the CITY and the CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by the CITY and the CONSULTANT.
- G. Conflict With Law: If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said law, but the remainder of the Agreement shall be in full force and effect.
- H. Attorney's Fees: In the event either party commences any action, arbitration or legal proceedings for the enforcement of this Agreement, the prevailing party, as determined by the court or arbitrator, shall be entitled to recovery of its attorney's fees and court costs incurred in the action brought thereon.

- I. Authority: Each signatory to this Agreement represents that it is authorized to enter into this Agreement and to bind the party to which its signature represents.
- J. Headings: Section headings are provided for organizational purposes only and do not in any manner affect the scope or intent of the provisions there under.
- K. Order of Precedence: In the event of a conflict in the terms and conditions of this Agreement and the conditions on which it is based, the following order of precedence shall apply:
 - 1. Routeware-City Agreement: 5670PROFESSIONAL SERVICES AGREEMENT
 - 2. Appendix "C": Routeware Master Sales and License Agreement
 - 3. Appendix "B": Payment Milestones
 - 4. Appendix "F": Routeware Cost Proposal
 - 5. Appendix "E": Routeware Support Plan Terms & Conditions
 - 6. Appendix "A": Scope of Work
 - 7. Appendix "D": Routeware Cloud Hosting Service Level Agreement

XV. ADDITIONAL MISCELLANEOUS PROVISIONS

- A. Changes in Work: If changes in scope, character, or complexity become desirable or necessary as work progresses, adjustments to the agreement may be made in writing signed by the CITY and CONSULTANT. In special cases, where it is essential that extra work be performed immediately, execution of the supplemental agreement covering the changes will be accomplished as soon as possible. This agreement shall provide for the preparation and submittal of contract change orders when applicable. There shall be no charge to the City when the change order is required to correct errors or omissions by the Service Provider.
- B. Data Breach: If Consultant becomes aware that the City may have been accessed, disclosed, or acquired without proper authorization and contrary to the terms of this Agreement or the Contract, Vendor shall use reasonable efforts to alert the City of any Data Breach within 24 hours, and shall immediately take such actions as may be necessary to preserve forensic evidence and eliminate the cause of the Data Breach. Consultant shall give highest priority to immediately correcting any Data Breach and shall devote such resources as may be required to accomplish that goal. Consultant shall provide the City information necessary to enable the City to fully understand the nature and scope of the Data Breach. If required by law and requested by the City, Consultant shall provide notice to individuals or entities whose Information was or may have been affected by the Data Breach in a manner and format specified by the City. City shall have Upon request, Vendor shall provide the City information about what Consultant has done or plans to do to mitigate any deleterious effect of the unauthorized use or disclosure of, or access to, City Data. In the event that a Data Breach requires Consultant's assistance in reinstalling software, such assistance shall be provided at no cost to the City. The City may discontinue any services or products provided by Consultant until the City, in its sole discretion, determines that the cause of the Data Breach has been sufficiently mitigated.

C. Data Location (Cloud): All City information shall be housed in physical environments (in the United States) administered by Consultant or its SubConsultants. The City will receive a 30-day advance notice from Consultant for any changes to the physical or logical location of Customer Information by City or its agents. Such relocation shall be without additional expense to City and without disruption of service, and shall only be done upon the completion of a successful review process.

D. General Compliance with Laws and Wage Rates: CONSULTANT shall be required to comply with all federal, state, and local laws and ordinances applicable to the work.

E. Equal Employment Opportunity: The Consultant shall be required to comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

1. The Recipient hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 C.F.R. chapter 60, the following equal opportunity clause:

During the performance of this contract, the Consultant agrees as follows:

- a. The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Consultant agrees to post in conspicuous places available to employees and applicants for employment notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- c. The Consultant will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided advising the said labor union or workers representatives of the Consultant's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- d. The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965 and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and pursuant to rules, regulations, and orders of the Secretary of Labor and will permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Consultant's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulations or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Consultant will include the portion of the sentence immediately preceding paragraph 17(a) (1) and the provisions of paragraphs 17(a)(1) through (6) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub-consultant or vendor. The Consultant will take such action with respect to any subcontract or purchase order as EDA or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event the Consultant becomes involved in or is threatened with litigation with or by a sub-consultant or vendor as a result of such direction by the Secretary of Labor, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.
- h. The Recipient further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally-assisted construction work. Provided, however, that if the Recipient so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality, or subdivision of such government that does not participate in work on or under the Contract.
- i. The Recipient agrees that it will assist and cooperate actively with the Secretary of Labor in obtaining the compliance of consultants and sub-consultants with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist in securing compliance.
- j. The Recipient further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Consultant debarred from, or who has not demonstrated eligibility

for, Government contracts and federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon consultants and sub-consultants by the Secretary of Labor pursuant to Part II, Subpart D of the Executive order.

2. Exemptions to Above Equal Opportunity Clause (41 C.F.R. chapter 60):

- a. Contracts and subcontracts not exceeding \$10,000 (other than Government bills of lading) are exempt. The amount of the Contract, rather than the amount of the federal financial assistance, shall govern in determining the applicability of this exemption.
- b. Except in the case of sub-consultants for the performance of construction work at the site of construction, the clause shall not be required to be inserted in subcontracts below the second tier.
- c. Contracts and subcontracts not exceeding \$10,000 for standard commercial supplies or raw materials are exempt.

F. Monthly Reporting: The Contractor/Consultant shall submit a report on a monthly basis to the City until the completion of the Fifth Payment Milestone covering the general progress of the job and describing any problems or factors being experienced.

G. Federal Non-Discrimination Statutes: The Service Provider must comply with all Federal statutes relating to non-discrimination. These include but are not limited to:

1. Title VI of the Civil Rights Act of 1964 (P.L.88-352) which prohibits discrimination on the basis of race, color, or national origin;
2. Section 112 of PL 92-45 and Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex;
3. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C.794) which prohibits discrimination on the basis of handicaps;
4. The Age Discrimination Act of 1975, as amended (42 U.S.C.6101-6107) which prohibits discrimination because of age;
5. The Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255), as amended, relating to non-discrimination on the basis of drug abuse;
6. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L.91-616), as amended, relating to non-discrimination on the basis of alcohol abuse or alcoholism;
7. Sections 523 and 527 of the Public Health Service Act of 1912 (42U.S.C. 290 dd-3 and 290ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;
8. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et. seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing;
9. Any other non-discrimination provisions in the specific statute(s) under which the application for Federal assistance is being made; and

10. The requirements of any other non-discrimination statute(s) which may apply.

IN WITNESS WHEREOF, this Agreement is executed on the day and year first above written.

CITY OF TULARE:

CONSULTANT:

City Manager

By: _____
Authorized Signature

Attest:

Title: _____

Chief Deputy City Clerk

Approved as to Form:

Number: _____
Federal Employer Identification

City Attorney

Attachments:

- Appendix "A": Scope of Work
- Appendix "B": Payment Milestones
- Appendix "C": Routeware Master Sales and License Agreement
- Appendix "D": Routeware Cloud Hosting Service Level Agreement
- Appendix "E": Routeware Support Plan Terms & Conditions
- Appendix "F": Routeware Cost Proposal

APPENDIX “A”

SCOPE OF WORK

The following scope includes actions required from Routeware in conjunction with the City’s internal staff to provide a fully functional Fleet Management and Work Order computer system for the Solid Waste division.

Stage 1: Project Deployment Planning

Upon execution of a contract between the City and Routeware, the project will enter the Project Deployment Planning Phase. This phase is expected to last 30-45 days. A key part to the success of this phase is to determine the appropriate staff and roles for the deployment project team. It is expected that the City will provide an overall project manager, IT support, and operations staff to the deployment project phase.

In the Project Deployment Phase, there will be a weekly deployment project meeting with the City. Minutes will be written by Routeware for each project meeting. The minutes will also track and document all action items, risks, and issues. It is expected that any changes to the project plan would be approved by Routeware and the City in the weekly project management meetings (followed by written documentation).

Deliverables

- Provide completed project schedule
- Provide completed training plan
- Provide Administrator/User account information
- Provide RCC
- Route Data Import Template to import route data in RCC
- Routeware RCC active and available for log-in

Stage 2: Onsite Installation and Go Live

Onsite installation will follow the completion of the Project Deployment Planning phase. This phase of the project is expected to last multiple days. The Routeware installer will be onsite during this period and install the hardware on the trucks. The Routeware PM will be on-site after the installation is complete to train the back-office staff on RCC and to train the drivers.

Deliverables

- Truck hardware installed
- On-board computers installed
- Mechanic training completed
- Truck hardware validated and operational
- On-board computers validated and operational
- Route data validated
- On-site Administrator/User training completed
- Provide preliminary customer reports

Stage 3: Post-Installation Management

Following the installation, Routeware will conduct weekly conference calls with the City, as the City comes up to speed on the project.

Deliverables

- Provide warranty information/documents
- Provide Administration/User training documentation and videos

If the City requires custom reports to be developed on their behalf, Routeware can prepare a separate Statement of Work for the City to authorize. This is a billable event.

General Information Form

The Routeware team will provide the Go-Live information form at the kickoff meeting. This form must be completed by the City and returned. The form profiles the following information needed for a successful launch:

- Users
- Vehicles
- Contact Information
- List of Landfills/Transfer Stations
- Shipping Address
- Routeware Contact Information

Import Route Data

The route data is to be provided by the City of Tulare on Routeware's template.

Routeware Server Provision

Routeware is Cloud Hosting the server, therefore Routeware will be responsible for all configuration and licensing.

Routeware RCC and OBC Configuration

Routeware will configure the Routeware Control Center (RCC) and the OBC with the City's list of skips, extras, timers, landfills, transfer stations, roll-off work-order steps, and other important data elements that are unique to the City of Tulare.

Pre-Installation Training

Pre-installation training designed for the City will be developed. This training is to be an overview intended to determine the on-site training program. If needed, we can set up multiple one-hour pre-installation training sessions via video conferencing. Training sessions will be attended by staff assigned by the City.

Training sessions will be set per the project schedule. Information packets for each participant will be provided. Additional training will be completed onsite during the Go-Live phase. Based

upon the City's needs, the training may include train the trainer, classroom training and one-on-one training.

Installation

Onsite truck installation will be completed per the Project Schedule. Installs will take place when trucks are available, which may involve afternoon or evening hours including weekends. A detailed truck installation schedule for each location will be developed.

The following hardware items will be installed:

- 26 10-inch Heavy Duty Tablet (v2 Windows) with Full Install Kits
- 4 8-inch Regular Duty Tablet with Lite Install Kit (Android)
- 23 Proximity Switches for Windows
- 26 Camera Systems for Heavy Duty Windows
- 26 Camera Power Kits for Windows Tablet
- 91 Additional Cameras
- 26 Vulcan Scale Cables
- 26 Video Service Hardware Kits
- 16 RFID Readers for Heavy Duty Windows
- 16 USB-affixed Pounder Kits
- 2 Monitors for Camera Controller
- 5 Basic Heavy-Duty Vehicle (HDV) Modems
- 5 Basic Plus, Proximity Sensors and Cabling

The following software items will be installed:

- Routeware Control Center Back Office Software Program
- 26 Perpetual OBC Software Licenses for Windows
- 26 Camera Licenses
- 16 RFID Licenses
- RouteMaker Program

Go-Live

Routeware personnel will be onsite during the Go-Live process. The Go-Live process entails:

- Driver training
- Back Office Training
- Confirming data is returning as expected
- Project signoff

Project Timeline

The timeline is subject to change based on, but not limited to, vehicle and facility availability, software interface specifications and development, and contract negotiations. Adhering to the timeline is going to also be dependent on the City of Tulare and prompt participation.

Task	Completion	Assignment
Project Kickoff Meeting with Customer Team	4 weeks prior to Install	
Discuss Deployment Plan		Routeware / Tulare Team
Schedule Weekly Project Meetings		Routeware / Tulare Team
Provide Informational Go-Live Spreadsheet		Tulare Team
Review Truck Installation/Training Terms per Contract		Routeware / Tulare Team
Set Project Schedule		Routeware / Tulare Team

Server – Cloud Hosted	4 weeks prior to Install	
Make Cloud Arrangements		Routeware
Configure and Install RCC		Routeware
Provide URL's and Allow Firewall Access		Routeware / Tulare IT
Test & QA		Routeware
Route Data Import	3 weeks prior to Install	
Complete import of route data template into RouteMaker		Routeware
Routeware Control Center	2 weeks prior to Install	
Perform Customer Configuration		Routeware
Users, Vehicles, Routes		Routeware
Landfills, Timers, Extras, Skips, Messages		Routeware

Provide RCC URL and Passwords to Routeware Champion		Routeware
Test & QA		Routeware
Hardware Preparation & Shipment	2 weeks prior to Install	
Routeware On-Board Computer System Unit Setup		Routeware
Modem Configuration		Routeware
Hardware QA & Burn-In		Routeware
Test & QA		Routeware
Pack & Ship Equipment		Routeware
On-Site Deployment	Installation/Go-Live	
Routeware On-Board Computer System Unit Setup Placement Approval		Routeware Installers/ Tulare Operations
Truck Hardware Installation		Routeware Installers/ Tulare Mechanics
Mechanic Training		Routeware Installers/ Tulare Mechanics
Validate Route Data Import to Routeware		Routeware
Validate Communications to and from units		Routeware Installers/ Tulare Mechanics
Confirm URL's active at each workstation		Routeware/ Tulare IT
Daily Field Report to Office		Routeware / Tulare Management
Final QA Inspection		Routeware / Tulare Operations
On-Site Training		
Deliver Routeware Champion Training		Routeware / Tulare Operations
Deliver Dispatcher Training		Routeware / Tulare Dispatchers
Deliver Driver Training		Routeware / Tulare Drivers
Deliver Management Training		Routeware / Tulare Management
Project On-Site Wrap Up		
Review Truck Installation/Customer maintenance		Routeware Installers/ Tulare Mechanics
Provide support e-mail and phone number		Routeware/ Tulare Management
Final Review with Customer – Go Live Sign Off		Routeware / Tulare Management
Schedule Post-Installation Support Calls		Routeware / Tulare Management

Training Plan

Routeware will develop a training program with the City during the deployment phase which may include train the trainer, onsite classroom training, onsite one-on-one training, web-based maintenance training, and onsite training following installation. Documentation will be provided on paper and electronically.

After implementation, Routeware will conduct scheduled onsite training to selected users/small groups to provide support and ensure consistent procedures. At Go-Live, the Routeware Project Manager will be onsite for an agreed amount of time for training of the back-office system. Training sessions will be attended by staff assigned by the City of Tulare. Training sessions will be set per the project schedule. Information packets for each participant will be provided.

Administrator Topics

Individual user training of complete system functionality including:

- Route dispatching
- Helper Route functionality
- Vehicle route user maintenance
- Using maps as research functionality
- Customer service history
- Reporting tools

Driver Training Topics

- A group class session the morning of Go-Live including:
 1. How to use and set up auto pick-up
 2. Messaging and comments
 3. Done/Skip
 4. Navigation
 5. Start/End Route
 6. Work Order functionality
- Check-ins with the drivers at the end of their routes each day
- Individual ride-along training as needed

Routeware will provide all available training documentation in PDF format. Routeware Control Center (RCC) also has quick-view help buttons throughout the application for quick access to related help documents, as well as a searchable help section that contains all help documents in a single place. This documentation will assist in the following areas:

- Dispatching for all lines of business
- Dynamic dispatching
- Daily dispatching
- Sending helper routes
- Mapping
- Viewing scheduled stops
- Viewing all route events
- Viewing GPS
- Viewing route playback

- Vehicle tracking
- Viewing current and historical data
- Container locking/Geo coordinates
- Customer Service and pickup verification
- Driver coaching module
- Reporting
- Configuring RCC layout and views

In addition, Routeware will provide thorough driver training with all necessary training materials complete with Lines of Business (LOB) specific driver manuals. Routeware's training material will be available in PDF and PowerPoint formats. Tip of the Month videos will also be provided with each edition of the Routeware Customer Newsletter.

Additional Resources

Technical Support: Routeware will provide 24x7x365 technical support. Routeware will provide in-house technical support members on call 24 hours a day. Sending email to the support alias (support@routeware.com) will automatically generate a support ticket and generate an auto-response to the City.

Parts Replacement/Backend Supply: Routeware uses a typical return materials authorization (RMA) process for hardware repairs. Routeware will either repair it at its facility, or return to their vendor for repair.

APPENDIX “B”

Payment Milestones

- An initial payment equal to 50% of the total hardware fees, and 25% of the one-time software fees will be made upon execution of order (\$105,924.22).

Initial Payment	Upon Execution of Contract
50% of Total Hardware Fees	\$ 62,537.78
25% of One-time Software Fees	\$ 43,386.44
TOTAL	\$ 105,924.22

- A payment equal to 25% of the one-time software fees (\$43,386.44) will be made upon completion of all required work in Stage 1: Project Deployment Planning (as described in Appendix “A”). Second payment will be due at the beginning of Stage 2: Onsite Installation.

Second Payment	Due at beginning of Stage 2
25% of One-Time Software Fees	\$43,386.44

- A payment equal to 50% of the total hardware fees, and 25% of the one-time software fees will be made upon completion of required work in Stage 2: Onsite Installation (\$105,680.15).

Third Payment	Due after completion of Stage 2
50% of Total Hardware Fees	\$ 62,537.78
25% of One-time Software Fees	\$ 43,386.44
TOTAL	\$ 105,924.22

- A payment of \$48,100 will be made 30 days from the invoice date for all services rendered during the installation and training of Routeware hardware and software. There will be a budget of \$16,000 for travel expenses.

Fourth Payment	Due 30 days after completion of Stage 2
Services Rendered	\$ 48,100.00
Travel Expenses	TBD
Freight Expenses	TBD

- A payment of \$43,386.44 will be made after the completion of 30 consecutive days of successful operation of the fleet management system as evidenced by:
 - Demonstrated success at transmitting routes to on-board computers when proper procedures are followed
 - Demonstrated success at transmitting data from on-board computers to Routeware Control Center when proper procedures are followed
 - Materially reliable performance of tablet computers and peripheral equipment including

- Service verification and exceptions logging can be performed via on-board computers in accordance with Routeware documentation
- Pictures can be taken and transmitted to Routeware Control Center
- Notes, messages, and event timers operate according to published documentation
- Service availability meets or exceeds Routeware's published service level agreements

Fifth Payment	Due 30 days after Successful Launch
25% of One-time Software Fees	\$ 43,386.44

- Quarterly payments of \$22,506.57 (\$7,502.19 per month, including taxes) will be made in advance per support plan terms and conditions. This order commitment is for 60 months of service. Quarterly payments per Routeware Support Plan Terms will begin once the 5th payment (above) is due.

Quarterly Payments	
36 months (\$22,506.57 per quarter)	\$270,078.84

APPENDIX C

ROUTEWARE MASTER SALES AND LICENSE AGREEMENT

This document lists the terms and conditions under which Routeware, Inc., a Delaware corporation with offices located at 16525 SW 72nd Avenue, Portland, OR 97224 ("Routeware"), is willing to sell products and services to the entity listed in an Order Form issued by Routeware ("Customer"). Together with an Order signed by Customer, these terms and conditions form a "Master Agreement" with respect to the Products and Services listed in the Order. The signing of an Order or issuance of a Purchase Order by the Customer and/or use of Services, having had the opportunity to read these terms and conditions, shall be deemed conclusive evidence of the Customer's acceptance of the terms of the Master Agreement.

TERMS AND CONDITIONS

1. GENERAL ORDERING PROCESS

1.1 Ordering. From time to time, Routeware may sell to Customer hardware products (including all on-board computers and peripheral devices, such as the RCore devices) ("Hardware") and software products ("Software") (together, "Products"), and related Support (as defined in Section 2) and/or other installation, support, consulting, software development, or disaster recovery services (collectively, "Services"), all pursuant to an authorized order form issued by Routeware that is signed by Customer (an "Order"). Together, an Order and these terms and conditions form a "Master Agreement", hereinafter "Agreement", between Routeware and Customer regarding the Products and Services subject to the Order.

1.2 Delivery. Routeware will use reasonable efforts to meet the delivery dates for Products and Services that are specified in an Order. All Product shipments are delivered F.O.B. Routeware's facility, with title and risk of loss passing at that time. All Products are deemed accepted upon delivery. Delivery delay or default of any instalment shall not relieve the Customer of its obligation to pay for services provided by Routeware or accept remaining deliveries of product.

1.3 Payment Terms. Each Order sets forth the amounts due for all Products and Services that it covers (the "Fees"). Unless otherwise stated in an Order, Customer will pay all invoiced Fees in United States Dollars within ten (10) days following invoice date. Any Fee not paid when due will bear a late payment charge of 1.5% per month compounded daily from the due date until the date paid, or such lower rate as allowed by applicable law. All Fees are non-refundable. Customer will reimburse Routeware in full for any and all collection costs incurred by Routeware. Routeware may, at its option, delay the delivery of Products and/or suspend Services and Support until all overdue Fees and late charges have been paid in full. If Routeware permits delayed payment or otherwise finances any purchases of Products by Customer, (a) Customer grants to Routeware a first priority, purchase money security interest in such Products as collateral until payment is made in full, (b) Routeware will enjoy all rights and remedies available to it with respect to such collateral under applicable law, (c) Customer will take all steps reasonably requested by Routeware to facilitate such security interest, and (d) Customer will not transfer nor permit any other security interests or liens to be applied to such Products until payment is made in full. Customer is responsible for all applicable taxes and will reimburse Routeware for the same.

2. SOFTWARE LICENSES; SUPPORT

2.1 Truckware License. “Truckware” means all Software that is pre-loaded and operates on the hardware that is integrated into the Customer’s vehicle fleet, whether sold by Routeware or certified and approved by Routeware in writing. Subject to the provisions of the Agreement and subject to Customer continuing to maintain Support per Section 2.3, Routeware grants a limited, non-transferrable, perpetual license to Customer to operate the Truckware on the specific hardware product on which it was originally loaded (whether sold by Routeware or certified and approved by Routeware), in accordance with the user guides, specifications, and other documentation provided by Routeware for that Truckware (the “Documentation”), and up to the number of trucks authorized on the Order provided that Customer maintains a current support plan. Under no circumstances may Customer load Truckware on hardware (including computers and peripherals) that is not sold or certified and approved by Routeware.

2.2 Officeware License. “Officeware” means all Routeware-supplied, server-based Software that is provided to Customer for installation and use for reporting, status checking, alert management, dispatching, and other purposes either locally or remotely. Subject to the provisions of the Agreement, Routeware grants a limited, non-transferrable license during the License Period to Customer to install a single instance of the server version of Officeware on a networked server and to allow up to ten (10) users to use the client version of Officeware, all in accordance with its respective Documentation. The Officeware license will continue in force for the period listed on the applicable Order, or if no such period is stated, for automatically renewing periods of one (1) year started from the Order date (in either case, the “License Period”), subject to either party electing against renewal by notifying the other party in writing at least ninety (90) days prior to the end of the then-current License Period.

2.3 Support. All support services for Software listed in an Order are further subject to the terms and conditions listed under Support Plans Terms & Conditions (“Support”).

2.4 Restrictions; Reservation of Rights. Customer agrees not to (and to not enable any third party to): (a) reverse engineer or otherwise attempt to discover the source code of or trade secrets embodied in the Software (except to the extent required by law or as necessary for interoperability purposes as required under terms and conditions required by the providers of Third-Party Products); (b) distribute, transfer, grant sublicenses to, or otherwise make available the Software or Documentation to third parties, including making the Software or Documentation available (i) through resellers or other distributors, or (ii) as an application service provider, service bureau, or rental source; (c) embed or incorporate in any manner all or part of the Software into other applications of Customer or third parties other than as authorized in applicable Documentation; (d) create modifications to or derivative works of the Software; (e) reproduce the Software (except that Customer may make up to two archival copies of the Officeware solely for backup purposes); (f) attempt to modify, alter, or circumvent any license control and protection mechanisms within the Software; (g) use or transmit the Software in violation of any applicable law, rule or regulation, including any export/import laws; and (h) remove, obscure or alter any copyright notices or any name, trademark, service mark, tagline, hyperlink or other designation included on any display screen within the Software. All Software is a “commercial item,” as that term is defined at 48 C.F.R. 2.101 (OCT 1995), and more specifically is “commercial computer software” and “commercial computer software documentation,” as such terms are used in 48 C.F.R. 12.212 (SEPT 1995). Consistent with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4 (JUNE 1995), Software is provided to U.S. Government End Users (i) only as a commercial end item and (ii) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. Other than as stated in this Agreement, Routeware grants Customer no other right, title or interest in any Software.

3. CLOUD HOSTING. All cloud hosting services are subject to the terms and conditions listed under the Cloud Hosting Service Level Agreement found at <http://www.routeware.com/Clients>.

4. THIRD PARTY HARDWARE AND SOFTWARE. Certain hardware and software sold by Routeware is manufactured, developed or made available by other companies and distributed by Routeware for use in conjunction with the Products, including but not limited to open source or “free” software (collectively, “Third-Party Products”). Third-Party Products may be subject to additional license terms and restrictions (“Third-Party Terms”), which we will make available to you as required by the suppliers of such Third-Party Products. In the event of a conflict between the terms of this Agreement and any Third-Party Terms, the Third-Party Terms shall control to the extent of the conflict. Routeware hereby assigns to Customer (to the extent assignable) all warranties given by the supplier(s) of Third-Party Products; provided, however, that Customer agrees to look to the supplier(s) for any Third-Party Product warranty, service and other post-purchase issues. Customer is solely responsible for obtaining any and all components, updates, new versions, and releases for any Third-Party Products necessary for use in connection with the Products.

5. OTHER SERVICES. All other Services provided by Routeware under an Order are further subject to a statement of work issued by Routeware. Routeware will perform such Services in a professional, competent and workmanlike manner in accordance with the prevailing standards in Routeware’s industry. Customer acknowledges that the timely and successful performance of Services requires good faith cooperation by Customer. Therefore, Customer shall furnish all information, access, assistance and services reasonably requested by Routeware. In the event that any failure by Customer to comply with the provisions of this Section 5 results in any delay in performance of the Services by Routeware, Routeware shall not be deemed in breach of the Agreement for such delay. Customer shall reimburse Routeware for all expenses reasonably incurred in the performance of Services, as such have been approved in advance by Customer. Except with respect to any Customer Confidential Information or pre-existing intellectual property included therein (collectively, “Customer Property”), Routeware will retain all right, title and interest in and to all deliverables and work product (including any and all intellectual property rights therein) generated as a result of the Services. Customer’s rights to the deliverables and work product shall be the same as the rights granted to Customer under this Agreement with respect to the applicable Hardware and Software.

6. AUDITS. During any time that Customer is using Hardware or Software under an Agreement, and for one year thereafter, Routeware will have the right to perform an audit not more than once each year to verify that Customer is using the Products in compliance with this Agreement. The audit will include at a minimum Routeware having access to all Software, Hardware, Documentation and related Customer equipment (including all servers and personal computers that contain Officeware, and any hardware that contains Truckware). The audit will be performed from Monday through Friday, between 8:00 a.m. and 5:00 p.m. local time, and upon not less than 15 days’ prior written notice to Customer. The audit will be conducted at Routeware’s sole cost and expense, subject to reasonable security and access restrictions. Customer will be permitted to have Customer personnel present during the audit. If an audit conducted under this Section discloses that Customer has underpaid by more than 3% any amounts payable under this Agreement during the period covered by the audit, Customer will pay Routeware the amount of that underpayment and, in addition, will reimburse Routeware’s reasonable and actual costs for that audit.

7. REPRESENTATIONS AND WARRANTIES; DISCLAIMER

7.1 Mutual. Each party represents and warrants to the other party that: (a) it has the full corporate right, power and authority to enter into this Agreement and to perform the acts this Agreement requires of it; (b) the execution of this Agreement and performance of its obligations under this Agreement do not and shall not violate any other agreement to which it is a party; (c) when executed and delivered this Agreement constitutes the legal, valid and binding obligation of such party; and (d) any and all activities it undertakes in connection with this Agreement shall be performed in compliance with all applicable laws, rules and regulations.

7.2 Products.

(a) Subject to the exceptions listed below in part (b), Routeware warrants (i) that the Hardware will be free from material defects in materials and workmanship and will operate in all material respects in accordance with its applicable Documentation (the "Hardware Warranty") for one year from the date of initial delivery or renewal (the "Hardware Warranty Period"); and (ii) for a period of ninety (90) days from the date of initial delivery (the "Software Warranty Period") the Software will perform in substantial conformance with its Documentation. Customer may purchase renewals of the Hardware Warranty Period through extended service plans made available by Routeware in its discretion. Following the end of the Hardware Warranty Period, Routeware will have no further obligation to repair or support the applicable Hardware.

(b) Routeware's entire liability and Customer's exclusive remedy for any reported breach of the Hardware Warranty or Software Warranty will be repair or replacement of the defective Product. All claims must be received by Routeware promptly upon discovery of any defect, and in no event after expiration of the applicable Warranty Period. The foregoing Hardware and Software Warranties do not apply to any defect or failure to operate that is attributable to: (i) Customer's misuse or abuse of or failure to maintain the Product; (ii) Customer's failure to operate the Product in accordance with Routeware's Documentation; (iii) any change made to the Product by Customer without Routeware's written approval; (iv) any defect, limitation or incompatibility in any equipment or other component installed by Customer; (v) any accident, catastrophe, act of God, or interruption or fluctuation in electrical power supplies; (vi) any material change in Customer's business or in the operating conditions under which the Product is used; (vii) translations; or (viii) Third-Party Products.

7.3 Disclaimer. THE WARRANTIES OF THIS SECTION 0 ARE THE EXCLUSIVE WARRANTIES OFFERED BY EITHER PARTY AND NEITHER PARTY MAKES ANY ADDITIONAL REPRESENTATION OR WARRANTY OF ANY KIND WHETHER EXPRESS, IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), OR STATUTORY, AS TO ANY MATTER WHATSOEVER. ALL OTHER CONDITIONS AND WARRANTIES, INCLUDING ANY CONDITIONS OR WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, MERCHANTABILITY AND THOSE THAT ARISE FROM ANY COURSE OF DEALING OR COURSE OF PERFORMANCE, ARE HEREBY DISCLAIMED.

8. LIMITATION OF LIABILITY

8.1 INDIRECT DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO THE FAILURE TO PAY AMOUNTS PROPERLY OWED, SECTION 10.1 (CONFIDENTIALITY), OR VIOLATIONS OF ROUTEWARE'S INTELLECTUAL PROPERTY RIGHTS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY, WHETHER UNDER THEORY OF CONTRACT, TORT OR OTHERWISE, FOR ANY INDIRECT DAMAGES THAT ARISE FROM OR RELATE TO THIS AGREEMENT (INCLUDING LOST PROFITS AND ANY OTHER INCIDENTAL, PUNITIVE, CONSEQUENTIAL, OR SPECIAL DAMAGES), WHETHER FORESEEABLE OR NOT AND WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.2 TOTAL LIABILITY. TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO THE FAILURE TO PAY AMOUNTS PROPERLY OWED, BREACHES OF SECTION (CONFIDENTIALITY), OR VIOLATIONS OF ROUTEWARE'S INTELLECTUAL PROPERTY RIGHTS, EACH PARTY'S AGGREGATE CUMULATIVE LIABILITY TO THE OTHER IN CONNECTION WITH THIS AGREEMENT (INCLUDING ANY WARRANTY CLAIMS) WILL NOT EXCEED, IN THE AGGREGATE AND REGARDLESS OF WHETHER UNDER THEORY OF CONTRACT, TORT OR OTHERWISE, **FIVE HUNDRED THOUSAND DOLLARS (\$500,000)**.

8.3 EACH PROVISION OF THIS AGREEMENT THAT PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES, OR EXCLUSION OF DAMAGES IS TO ALLOCATE RISK BETWEEN THE PARTIES. THIS ALLOCATION IS AN ESSENTIAL ELEMENT OF THE BASIS OF THE BARGAIN BETWEEN THE PARTIES. EACH OF THESE PROVISIONS IS SEVERABLE AND INDEPENDENT OF ALL OTHER PROVISIONS OF THIS AGREEMENT, AND EACH OF THESE PROVISIONS WILL APPLY EVEN IF THE REMEDIES IN THIS AGREEMENT HAVE FAILED OF THEIR ESSENTIAL PURPOSE.

9. INDEMNITY

9.1 Indemnity for Professional Liability: When the law establishes a professional standard of care for Routeware's Services, to the fullest extent permitted by law, Routeware shall indemnify, protect, defend, and hold harmless Customer and any and all of its officials, employees and agents from and against any and all losses, liabilities, damages, costs, and expenses, including legal counsel's fees and costs but only to the extent that Routeware is responsible for such damages, liabilities and costs on a comparative basis of fault between Routeware and the Customer in the performance of professional services under this agreement.

9.2 Indemnity for Other Than Professional Liability: Other than in the performance of professional services and to the full extent permitted by law, Routeware shall indemnify, defend, and hold harmless Customer, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel's fees and costs, court costs, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Routeware or by any individual or Customer for which Routeware is legally liable, including, but not limited to officers, agents, employees, or subcontractors of Routeware, except when caused by the active negligence or willful misconduct of the Customer.

10. INSURANCE

10.1 Commercial General Liability

(a) Routeware shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than one million dollars (\$1,000,000) per

occurrence for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. Routeware's general liability policies shall be primary and shall not seek contribution from the Customer's coverage, and be endorsed using Insurance Services Office form CG 20 10 (or equivalent) to provide that Customer and its officers, officials, employees, and agents shall be additional insureds under such policies.

(b) Any failure to comply with reporting provisions of the policies by Routeware shall not affect coverage provided the Customer.

10.2 Business Automobile Liability

(a) Routeware shall provide auto liability coverage for owned, non-owned, and hired autos using ISO Business Auto Coverage form CA 00 01 (or equivalent) with a limit of no less than one million dollars (\$1,000,000) per accident.

10.3 Workers' Compensation and Employers' Liability

(a) Routeware shall maintain Workers' Compensation Insurance and Employer's Liability Insurance with limits of at least five hundred thousand dollars (\$500,000). Routeware shall submit to Customer, along with the certificate of insurance, a waiver of subrogation endorsement in favor of Customer, its officers, agents, employees, and volunteers.

10.4 Cyber Liability Insurance

(a) Routeware shall carry Cyber Liability Insurance with limits not less than \$2,000,000 per claim.

(b) Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Routeware in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, and network security.

(c) The policy shall provide coverage for breach response costs as well as regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations.

10.5 All Coverages

(a) Each insurance policy required by the agreement shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice has been given to the Customer, except that ten (10) days' prior written notice shall apply in the event of cancellation for nonpayment of premium.

(b) All self-insurance, self-insured retentions, and deductibles must be declared and approved by the Customer.

(c) Evidence of Insurance - Prior to commencement of work, the Routeware shall furnish the Customer with certificates, additional insured endorsements, and waivers of subrogation evidencing compliance with the insurance requirements above. The Routeware must agree to provide complete, certified copies of all required insurance policies if requested by the Customer.

(d) Acceptability of Insurers - Insurance shall be placed with insurers admitted in the State of California and with an AM Best rating of A- VII or higher.

11. TERM AND TERMINATION

11.1 Term of Agreement. This Agreement begins on the Effective Date (defined as the order form signature date or purchase order date) and continues until terminated pursuant to this Section 9.

11.2 Termination Rights. This Agreement may only be terminated as follows: (a) by mutual, written agreement of the parties; (b) by either party if the other party materially breaches this Agreement, and does not cure the breach within 30 days after receiving written notice from the non-breaching party; (c) by either party if such party elects to not renew all License Periods; or (d) by either party if the other party makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of or becomes subject to any proceeding under the U.S. Federal Bankruptcy Act or any other foreign or domestic statute, law, rule or regulation relating to insolvency or the protection of rights of creditors, which proceeding is not dismissed within 60 days.

11.3 Effect of Termination. Upon any termination of this Agreement, without prejudice to any other rights or remedies which the parties may have, the following applies: (a) Customer shall immediately cease all use of all Hardware and all Software; (b) all other rights and obligations immediately cease, except that Sections 1.3, 2.3, 2.4, 6, 7.3, 8, 9.3, 10, and 12 shall survive termination; (c) upon written demand, each party as a receiving party will return or destroy all of the other party's Confidential Information; and (d) Customer will immediately pay Routeware any undisputed amounts still outstanding.

12. CONFIDENTIAL INFORMATION; PUBLICITY

12.1 Confidential Information. Both parties recognize that they may each receive (as a “Recipient”) from the other (as a “Discloser”) certain confidential and valuable proprietary information that is identified pursuant to the terms of this Section 10.1 as confidential (collectively, the “Confidential Information”). Both parties agree to identify any Confidential Information as follows: if written, with a written legend that says “confidential” or a similar term; or if verbal, by identifying the information as confidential when disclosed, and then sending the Recipient a written confirmation of that confidential status within 30 days after disclosure. Notwithstanding the foregoing, all pricing, Documentation and Software are Routeware Confidential Information. A Recipient will not, without the Discloser’s prior written consent, disclose Confidential Information to any person other than those of its employees, independent contractors or consultants who need to know it for the purposes of this Agreement and who are bound by confidentiality agreements with the Recipient that are at least as protective as this section. A Recipient may only use Confidential Information for the purpose of this Agreement. A Recipient will handle any Confidential Information with the same care as it does its own Confidential Information, but in any event no less than reasonable care. None of the provisions of this section, however, apply to any Confidential Information that meets any one of the following criteria: (a) information possessed by the Recipient without restriction prior to receiving it from the Discloser, provided that the Recipient can demonstrate such possession; (b) information that the Recipient developed independently and without use of or reference to the Confidential Information, as documented by its written records; (c) information that the Recipient receives from another party who is not in breach of any of that party’s obligations as a result of that disclosure; or (d) information that the Discloser intentionally discloses to any other party without any restriction on confidentiality. Additionally, a Recipient may disclose Discloser’s Confidential Information to the extent that a court or other governmental body orders such Confidential Information disclosed by the Recipient, provided that the Recipient promptly notifies the Discloser of such order and provides the Discloser with notice and opportunity to contest it, if possible. These obligations shall survive the termination of this Agreement for a period of five (5) years, except with respect to any source code, which will remain protected until it is no longer Confidential Information. This Section does not intend to grant a Recipient any ownership interest or license or right to any **intellectual** property rights of the Discloser.

12.2 Terms; Publicity. The parties will keep the terms and conditions of this Agreement confidential and will not divulge any of this information to any third party except as follows: (a) with the prior written consent of the other party; (b) as otherwise may be required by law or legal process; (c) during the course of litigation, so long as the disclosure is restricted in the same manner as is the confidential information of other litigating parties; and (d) in confidence to its legal counsel, accountants, banks, and financing sources and their advisors solely in connection with complying with or administering its obligations with respect to this Agreement; provided that, in (b) and (c) above, to the extent permitted by law, the disclosing party will use all legitimate and legal means available to minimize the disclosure to third parties, including seeking a confidential treatment request or protective order whenever appropriate or available, and the disclosing party will provide the other party with at least 10 days’ prior written notice of such disclosure. Neither party may use the other party’s trade names, trademarks or service marks, or engage in any publicity regarding this Agreement or its subject matter, without the other party’s express written consent, which will not be unreasonably withheld or delayed.

13. MISCELLANEOUS

13.1 Independent Contractors. The parties are independent contractors with respect to each other, and nothing in this Agreement shall be construed as creating an employer-employee relationship, a partnership, agency relationship or a joint venture between the parties.

13.2 Force Majeure. Each party will be excused from any delay or failure in performance hereunder, other than the payment of money, caused by reason of any occurrence or contingency beyond its reasonable control, including but not limited to acts of God, earthquake, labor disputes and strikes, riots, war and governmental requirements. The obligations and rights of the party so excused will be extended on a day-to-day basis for the period of time equal to that of the underlying cause of the delay.

13.3 Assignment. Neither party may assign its rights or obligations under this Agreement to any other person or entity, except for assignment and transfer of all of a party's rights and obligations under the following circumstances: (a) with the express written consent of the other party, which may not be unreasonably delayed or withheld; (b) as part of a re-organization or restructuring; (c) to the surviving entity of a merger transaction; or (d) to the purchaser of a Controlling Interest in, or more than 50% of, the assets of the assigning party. A "Controlling Interest" means more than 50% of the total outstanding voting stock of the assigning party. Any attempted assignment or delegation in violation of this section is void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties and their respective successors and assigns.

13.4 Changes & Waivers. Routeware reserves the right to change this terms and conditions of this Agreement at any time. It is Customer's responsibility to check these terms and conditions periodically for changes. No waiver of any breach of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach, and no waiver is effective unless made in writing and signed by an authorized representative of the waiving party.

13.5 Governing Law; Jurisdiction. The laws of the State of California, without regard to conflict of laws rules, govern the interpretation and enforcement of this Agreement. The United Nations Convention on Contracts for the International Sale of Goods will not apply. The parties agree with and submit to the state or federal courts located in Tulare County, California as the exclusive venue and jurisdiction for any and all disputes arising from or relating to this Agreement. Each party waives any objection (on the grounds of lack of jurisdiction, forum non conveniens or otherwise) to the exercise of such jurisdiction by these courts.

13.6 Arbitration. Customer agrees that any and all controversies, claims, or disputes arising out of this Agreement, including any breach of this Agreement, shall be subject to binding arbitration under the Arbitration Rules set forth by the American Arbitration Association (the "**Rules**") and pursuant to California law. Disputes that Customer agrees to arbitrate, and thereby agrees to waive any right to a trial by jury, include any statutory claims under state or federal law. The place of arbitration shall be Tulare County, California. California State law shall apply. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The number of arbitrators shall be one (1). The arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication and motions to dismiss and demurrers, prior to any arbitration hearing. The arbitrator shall issue a written decision including findings of fact and conclusions of law on the merits of its award. The arbitrator shall have the power to award any remedies, including attorneys' fees and costs, available under applicable law.

13.7 Attorney Fees. The prevailing party in any litigation between the parties regarding this Agreement shall be entitled to recover reasonable attorney's fees and other costs from the other party. These fees and other costs are in addition to any other relief to which the prevailing party may be entitled.

13.8 Conflicts; Order of Precedence. In the event that any term of this Agreement conflicts with governing law or is held to be ineffective or invalid by a court of competent jurisdiction, such term will be deemed to be restated to reflect as nearly as possible the original intentions of the parties in accordance with applicable law, and the remaining terms of this Agreement shall remain in full force and effect. This Agreement controls any conflicts between any of its provisions and those of any Order.

13.9 Integration. This Agreement and the Orders together constitute the entire agreement between the parties with respect to the Products and Services and supersede all prior and contemporaneous discussions, negotiations, communications or agreements regarding the same subject matter. The terms on any purchase order, invoice, or other ordering document will have no effect and are hereby rejected.

13.10 Notices. Unless stated otherwise, all notices, consents and approvals under this Agreement must be delivered in writing by courier, by facsimile, or by certified or registered mail (postage prepaid and return receipt requested) to the other party at the address set forth on at the beginning of this Agreement, and are deemed delivered when received. Either party may change its address for notices by notice to the other party given in accordance with this Section 12.10.

13.11 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed to be an original and together will constitute one and the same agreement. This Agreement may also be executed and delivered by facsimile and such execution and delivery will have the same force and effect of an original document with original signatures.

13.12 Headings; Interpretation. Headings are used in this Agreement for reference only and will not be considered when interpreting this Agreement. As used in this Agreement, "includes" (or "including") means without limitation.

APPENDIX “D” ROUTEWARE CLOUD HOSTING SERVICE LEVEL AGREEMENT

Effective Date: January 1, 2015

This Routeware Cloud Hosting Service Level Agreement (“SLA”) is a policy governing the use of Routeware Cloud Hosting under the terms of the Routeware Master Sales and License Agreement (the “Routeware Agreement”) between Routeware, Inc. (“us” or “we”) and users of Routeware’s services (“you”). This SLA applies separately to each account using Routeware Cloud Hosting. Unless otherwise provided herein, this SLA is subject to the terms of the Routeware Agreement and capitalized terms will have the meaning specified in the Routeware Agreement. We reserve the right to change the terms of this SLA in accordance with the Routeware Agreement.

Service Commitment. Routeware will use commercially reasonable efforts to make Routeware Cloud Hosting available with a Monthly Uptime Percentage (defined below) of at least 99.95%, in each case during any monthly billing cycle (the “Service Commitment”). In the event Routeware Cloud Hosting does not meet the Service Commitment, you will be eligible to receive a Service Credit as described below.

DEFINITIONS

“Monthly Uptime Percentage” is calculated by subtracting from 100% the percentage of minutes during the month in which Routeware Cloud Hosting was in the state of “Region Unavailable.” Monthly Uptime Percentage measurements exclude downtime resulting directly or indirectly from any Routeware Cloud Hosting SLA Exclusion (defined below).

Service Maintenance Windows: Routeware will periodically schedule maintenance windows where the system will be down for a predetermined amount of time. This is for performing OS updates, RW software updates, general maintenance, etc. The downtime during these scheduled maintenance windows does not apply to the “Monthly Uptime Percentage.” The maintenance windows are scheduled for a day and time that least impacts your operations and is coordinated with the Routeware champion you assign within the City. We will notify you at least 72 hours prior to any scheduled maintenance window.

“Region Unavailable” and “Region Unavailability” mean that the Routeware Cloud Hosted Service is “Unavailable” to you.

“Unavailable” and “Unavailability” are when you have no external connectivity to your Routeware Cloud Hosted Service.

“Service Credit” is a dollar credit, calculated as set forth below, that we may credit back to an eligible account.

Commented [KA1]: “Region Unavailable” is equivalent to RCC (Routeware Control Center Software) being unavailable. No 3rd party is needed to monitor this because your users would know instantly.

Commented [AB2R1]:

Service Commitments and Service Credits. Service Credits are calculated as a percentage of the total charges paid by you (excluding one-time payments) for Routeware Cloud Hosting for the monthly billing cycle in which the Unavailability occurred in accordance with the schedule below.

Monthly Uptime Percentage	Service Credit Percentage
Less than 99.95% but equal to or greater than 99.0%	5%
Less than 99.0%	15%
Less than 90.0%	25%
Less than 75.0%	50%

50% or Less

100%

Commented [KA3]: In the unlikely event that the City experiences an uptime percentage of 50% or less; Routeware agrees to 100% Service Credit Percentage.

We will apply any Service Credits only against future Routeware Cloud Hosting payments otherwise due from you. Service Credits will not entitle you to any refund or other payment from Routeware. A Service Credit will be applicable and issued only if the credit amount for the applicable monthly billing cycle is greater than one dollar (\$1 USD). Unless otherwise provided in the Routeware Agreement, your sole and exclusive remedy for any unavailability, non-performance, or other failure by us to provide Routeware Cloud Hosting is the receipt of a Service Credit (if eligible) in accordance with the terms of this SLA.

Credit Request and Payment Procedures. To receive a Service Credit, you must submit a claim by email to support@routeware.com. To be eligible, the credit request must be received by us by the end of the second billing cycle after which the incident occurred and must include:

1. the words "SLA Credit Request" in the subject line;
2. the dates and times of each Unavailability incident that you are claiming; and
3. your request logs that document the errors and corroborate your claimed outage (any confidential or sensitive information in these logs should be removed or replaced with asterisks).

If the Monthly Uptime Percentage of such request is confirmed by us and is less than the Service Commitment, then we will issue the Service Credit to you within one billing cycle following the month in which your request is confirmed by us. Your failure to provide the request and other information as required above will disqualify you from receiving a Service Credit.

Routeware Cloud Hosting SLA Exclusions. The Service Commitment does not apply to any unavailability, suspension or termination of Routeware Cloud Hosting, or any other Routeware Cloud Hosting performance issues: (i) that result from a termination described in Section 8 of the Routeware Agreement; (ii) caused by factors outside of our reasonable control, including any force majeure event or Internet access or related problems beyond the demarcation point of Routeware Cloud Hosting; (iii) that result from your equipment,

software or other technology and/or third party equipment, software or other technology (other than third party equipment within our direct control); (iv); that result from any maintenance as provided for pursuant to the Routeware Agreement; or (v) arising from our suspension and termination of your right to use Routeware Cloud Hosting in accordance with the Routeware Agreement (collectively, the "Routeware Cloud Hosting SLA Exclusions"). If availability is impacted by factors other than those used in our Monthly Uptime Percentage calculation, then we may issue a Service Credit considering such factors at our discretion.

Cause Beyond Reasonable Control is defined as; an anything done or not done by or to a person, government or other competent authority, except the parties concerned, which is beyond the reasonable control of the party concerned.

APPENDIX “E”

ROUTEWARE SUPPORT PLAN TERMS & CONDITIONS

This document provides more specifics about the Routeware Support Plan. It is subject to the provisions of the Routeware Master Sales and License Agreement and all related orders (collectively, the “Master Agreement”) between Routeware and its customer (“Customer”). Any capitalized words not defined in this Support Plan are defined in the Master Agreement.

Customer must have purchased a Support Plan for any of the terms and conditions below to apply.

GENERAL

Plan Commencement. All Support Plans commence the first day of the month following installation of hardware in the first vehicle of the Customer’s fleet or 90 days after execution, whichever comes first. Support Plan fees may be invoiced prior to, on, or after Support Plan commencement. Invoices are due ten (10) days from Support Plan commencement date or ten (10) days from receipt of invoice, whichever comes last.

Plan Duration. All Support Plans cover 12-month periods beginning January 1 and ending on December 31 (a “Plan Year”). Plans purchased mid-year are pro-rated based on the number of days remaining in a given Plan Year. All Support Plans automatically renew on December 31 unless Routeware receives from Customer a written notice of non-renewal no later than November 1. Support Plans are not cancellable outside the notice period.

Billing. Customer may pay for an entire Plan Year up front, or quarterly (a discount may apply for payment up front). All fees are due on or before the commencement of the support period. If Customer fails to pay any amounts when due, Routeware may, at its option, suspend all Support Plans, or continue to provide all or part of the Support Plan at the applicable time and materials rate, in either case until such time as the Customer’s account is paid in full (including all Reinstatement Fees). Support Plan payments are non-refundable.

Third Party Vendor-Specific Support Terms. Customer must remain on a supported environment – including applications and hardware platforms – to receive any Support Plan. Customer may be required to upgrade to a current Routeware-certified and supported third party application, hardware platform, framework, database, and/or operating system configuration to continue receiving a Support Plan.

End of Life. Support Plans are not available on any hardware that Routeware has declared as end-of-life (“EOL”) (including the DMS 3000 and DMS 5000 products).

Support Outside of Warranty Period. Any support (including repair work) performed by Routeware outside of a warranty period is subject to a Time and Materials Rate of \$195.00 per hour for hardware repair labor, billed in 15-minute increments, plus the cost of parts in accordance with Routeware spare parts pricing.

SUPPORT PLAN

Coverage. A Support Plan covers all Software (e.g. Truckware and Officeware) and Hardware purchased or licensed by Customer from Routeware (excluding any Software or Hardware that has reached EOL, as announced by Routeware). It includes the provision of Technical Support and Updates (each defined below) during a Plan Year. Unless stated otherwise by Routeware in writing, Support for a given version of Software is available for three years from the date of release.

Reinstatement. Should the Customer decide to add Software Support following a period in which a Software Support Plan was not in place, in addition to paying for the current Plan Year, Customer must pay a Reinstatement Fee covering the lapse period (prorated daily) at a price equal to 150% of the Software Support Plan price at the time of reinstatement.

Technical Support. A Software Support Plan includes technical support by phone and email, during the hours of 8:00 a.m. to 5:00 p.m. Pacific, Monday through Friday, excluding the following Routeware holidays:

- New Year's Day
- Memorial Day
- Independence Day (US)
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

Any support outside of these time frames is subject to Routeware discretion and will be further subject to an additional charge of \$195 per hour, billed in 15-minute increments. Any on-site support requires a professional services engagement, as documented in a statement of work.

Technical Support may also include the following:

- Certification with third-party products/versions
- Assistance with service requests during published support hours
- Access to on-line support
- A diagnosis of problems or issues of the supported Software

Routeware will use commercially reasonable efforts to meet the response and resolution times listed in the table below.

Updates. A Software Support Plan includes the provision of Updates. "Update" is defined as a subsequent release of Software which Routeware generally makes available to its customers who have purchased a Support Plan. Updates typically include bug fixes, patches, and feature enhancements. Updates typically do not include any new functionality that constitutes a new product (which is so designated at Routeware's sole discretion) for which Routeware charges a separate fee. Updates are provided as and when available (as determined by Routeware) and may not include all previously available supported features. Routeware develops Updates in its discretion, and has no obligation to develop any specific feature or functionality. Updates are made available by delivery (which may be subject to a shipping and handling charge) or by download, in Routeware's discretion. If delivered, Customer will receive one copy for each supported operating system for which Software licenses were ordered. Customer shall be responsible for copying, downloading, and installing any Updates. Updates are subject to the terms and conditions of the Master Agreement, and are covered by the same license as the Software to which the Updates pertain.

Customer Obligations. Software Support is conditioned on the Customer doing the following: (a) use commercially reasonable efforts to provide Routeware with the necessary access (e.g., access to server files, log files, application software or database extracts) required to provide Software Support; (b) will designate and identify by name, phone number, e-mail address, and other appropriate contact methods, Customer Contacts, whom shall be the only personnel authorized to communicate with Routeware regarding Software Support; (c) will apply all Updates, bug fixes, critical patches and configuration recommendations according to Routeware’s instructions promptly following delivery; and (d) will provide Routeware with remote online access via the Internet to all Hardware (including all on-board units), Software and servers for the purposes of troubleshooting, general assistance, and verification of compliance with licensing terms.

Response/Resolution Times:

Severity level and definition:	Acknowledge error report	Complete Patch, Answer, Workaround, or Temporary Fix	Release Final Version of Fix
Priority level 1: A Critical Severity issue has significant to critical impact on production; product is largely unusable	1/2 hour	Routeware will use commercially reasonable efforts to address in 24 hours	In one of next two updates if deemed appropriate for all customers
Priority level 2: Has some business impact on production system resulting in some loss in functionality; the software is usable but operating suboptimally.	24 hours	Routeware will use commercially reasonable efforts to address in 10 days	In one of next two updates if deemed appropriate for all customers
Priority level 3: Non-production questions including general usage questions, issues related to a non-production system. There is no impact on performance, quality, or functionality	3 business days	Routeware will use commercially reasonable efforts to address in 15 days	N/A

Exclusions. Routeware is not obligated to provide Support Services when: (a) Routeware products have been changed, modified or damaged by anyone other than Routeware; (b) the issue is caused by Customer negligence or misuse of software or hardware, or other causes outside of Routeware’s control; (c) the issue is caused by third party hardware or software, or by Customer network infrastructure; or (d) Customer’s Routeware products are EOL or are otherwise not currently supported, as determined by Routeware's announced policies.

Changes. Routeware reserves the right to change these Support Plan Terms & Conditions at any time; provided however, that any such changes which occur during a then-current Plan Year will not materially diminish the Support to be provided during the remainder of such Plan Year. **It is the Customer’s responsibility to check these Support Plan Terms & Conditions periodically for changes.**



ROUTEWARE®

Proposal for City of Tulare - CA

Prepared by Chelsea Bailey
cbailey@routeaware.com | (503) 906-8506

www.routeaware.com



Sales Contact: Chelsea Bailey
Phone: (503) 906-8506
Email: cbailey@routeware.com

Date: July 24, 2020
Order Expires: August 22, 2020

Order # 1914-R3

Statement of Confidentiality & Non-Disclosure

This document contains proprietary and confidential information. All information and data submitted to City of Tulare - CA is provided in reliance upon its consent not to use or disclose any information contained herein except in the context of its business dealings with Routeware, Inc. The recipient of this document agrees to inform present and future employees of City of Tulare - CA who view or have access to its content of its confidential nature.

The recipient agrees to instruct each employee that they must not disclose any information concerning this document to others except to the extent that such information is generally known to, and is available for use by, the public. The recipient also agrees not to duplicate or distribute or permit others to duplicate or distribute any material contained herein without Routeware, Inc.'s express written consent.

Routeware retains all title, ownership and intellectual property rights to the material and trademarks contained herein, including all supporting documentation, files, marketing materials, and multi-media.

BY ACCEPTANCE OF THIS DOCUMENT THE RECIPIENT AGREES TO BE BOUND BY THE AFOREMENTIONED STATEMENT.

Order # 1914-R3 | Date: July 24, 2020



Sales Contact: Chelsea Bailey
Phone: (503) 906-8506
Email: cbailey@routeware.com

Date: July 24, 2020
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Customer:

City of Tulare - CA
 411 E Kern Ave
 Tulare, CA 93274-4257

Contact: Andrew Bettencourt
Phone: (559) 684-4382
Email: abettencourt@tulare.ca.gov

Ship to: City of Tulare - CA
 411 E Kern Ave
 Tulare, CA 93274-4257

HARDWARE

ITEM #	DESCRIPTION	QTY	UNIT PRICE	TOTAL
KIT-TABLET-HD10-200-WIN	Heavy Duty Tablet 10" v2 - Windows - with Full Install Kit	26	\$1,775.00	\$46,150.00
KIT-TABLET-RD8-100-A-LITE	Regular Duty Tablet 8" with Lite Install Kit (Android)	4	\$650.00	\$2,600.00
KIT-PROX-HD-100	Proximity Switch for Windows	23	\$105.00	\$2,415.00
KIT-CAMERA-200-WIN-HD	DO NOT USE - Camera System for Heavy Duty Windows	26	\$405.00	\$10,530.00
KIT-CAMERA-200-ADD	DO NOT USE - Additional Camera	91	\$60.00	\$5,460.00
KIT-CAMERA-200-WIN-POWER	Camera Power Kit for Windows Tablet	26	\$25.00	\$650.00
6-599-A	Vulcan Scale Cable	26	\$5.00	\$130.00
KIT-RFID-100-WIN	RFID Reader for Heavy Duty Windows	16	\$1,550.00	\$24,800.00
7-110-A	Monitor for Camera Controller	2	\$40.00	\$80.00
KIT-VIDEO-100	DO NOT USE - Video Service Hardware	26	\$370.00	\$9,620.00
KIT-POUNDER-AFFIX	Pounder Kit, USB affixed	16	\$175.00	\$2,800.00
KIT-BASIC-100-USD	Basic Heavy Duty Vehicle (HDV) Modem	5	\$160.00	\$800.00
KIT-BASICP-100	Basic Plus, Proximity Sensor and Cabling	5	\$70.00	\$350.00
HW Warranty	2 year Extended OBC HW Warranty	26	\$342.00	\$8,892.00
			Hardware Total:	\$115,277.00

SOFTWARE

ITEM #	DESCRIPTION	QTY	UNIT PRICE	TOTAL
SW License - RCC	Routeware Control Center Back-Office Software	1	\$49,950.00	\$49,950.00
SW License - OBC - W	Perpetual OBC Software License for Windows	26	\$2,850.00	\$74,100.00
SW License - Camera	Camera License	26	\$450.00	\$11,700.00
SW License - RFID	RFID License	16	\$1,200.00	\$19,200.00
SW License - RM	RouteMaker	1	\$5,000.00	\$5,000.00
			Software Total:	\$159,950.00

Order # 1914-R3 | Date: July 24, 2020



Sales Contact: Chelsea Bailey
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SERVICES

ITEM #	DESCRIPTION	QTY	UNIT PRICE	TOTAL
Prof Svs - PM&T	Project Management and Training	1	\$10,000.00	\$10,000.00
Prof Svs - Vehicle Inst	Vehicle Installation	26	\$275.00	\$7,150.00
Prof Svs - Camera Inst	Additional Camera Installation	91	\$150.00	\$13,650.00
Prof Svs - Camera Sys Inst	Camera System Installation	26	\$200.00	\$5,200.00
Prof Svs - Scale Test	DO NOT USE - Scale Configuration	26	\$25.00	\$650.00
Prof Svs - RFID Inst	RFID Installation	16	\$300.00	\$4,800.00
Prof Svs - Prox Inst	Prox Switch Installation	23	\$100.00	\$2,300.00
Prof Svs - Basic + Inst	Basic Plus, Unit Installation	5	\$150.00	\$750.00
Prof Svs - CORE Custom	CORE Professional Services (per hour)	16	\$225.00	\$3,600.00
			Services Total:	\$48,100.00
			Order Total:	\$323,327.00

Payment Terms:

Payments to be administered in accordance with Appendix B - Payment Milestones

Payment Term: Net 30

Monthly Fees: Due quarterly in advance per Support Plan terms and Conditions once the 5th Payment Milestone is due.

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	<u>Qty</u>	<u>Price</u>	<u>Monthly</u>
Cloud Hosting	1	520.00	520.00
OBC Support Fee	26	87.00	2,262.00
EnCORE Container Management Solution	1	500.00	500.00
Picture Service Fee	26	17.50	455.00
Premium Video System Fee	26	61.00	1,586.00
RFID System Fee	16	19.99	319.84
Cellular Data Charge (HD)	26	30.00	780.00
Cellular Data Charge (RD)	4	15.00	60.00
Routeware Control Center Support - Annual	1	1,710.00	142.50
RouteMaker Support - Annual	1	950.00	79.17
Basic Plus, Service Fee	5	29.99	149.95
Basic Plus, Custom Input Event One	5	12.00	60.00
		\$6,914.46	Total per month

Monthly Fees include the following:

1. CPU support
2. Monitor support
3. Camera support
4. Modem support
5. Cabling support
6. One-year warranty on hardware
7. Troubleshooting software in the vehicle
8. Troubleshooting the back office server
9. Routinely updating software in the vehicle with patches and fixes
10. Routinely updating software on the server with patches and fixes
11. Troubleshooting and monitoring the cellular network
12. Providing new functionality to vehicle software at no additional cost
13. Providing new functionality to back office software at no additional cost
14. Providing phone support
15. Imaging hardware with software
16. Performing hardware warranty work (for hardware purchased from Routeware)
17. Years of continuing research on the type of hardware that customers should purchase
18. Supporting and troubleshooting the RMS/billing interface
19. Consulting about best practices in waste fleet automation

This Order and all products and services herein are subject to and limited to the terms and conditions contained in Routeware’s Master Terms located at <http://www.routeware.com/Clients>. Any purchase orders issued in response to this Order, will be deemed acceptance of such terms and any acknowledgement Routeware issues is expressly conditioned on such acceptance.

<http://www.routeware.com/Clients> Username: routeware Password: RWClient1!

Order commitment is for 36 months of service.

If Customer has agreed to a long-term support plan, the rate and terms of that plan will be effective for all purchases on this Order.

Prices are exclusive of any federal, state, or local taxes. The customer is responsible for all federal, state, and local taxes.

This system requires a specific server to operate Routeware software, which may need to be purchased separately.

This system requires cellular connectivity for each vehicle which may need to be purchased separately.

If route sequencing by Routeware is a requirement, additional professional services fees may apply.

On-Board Computer software is sold as a perpetual license, allowing the license to be activated on replacement hardware.

Any lapse in support voids perpetual license.

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Pricing does not include freight cost or travel expenses, which will be invoiced as they are incurred.

Order # 1914-R3 | Date: July 24, 2020

16525 SW 72nd Ave. Portland, OR 97224 • Office: 503.906.8500 • Fax: 503.906.8544



Sales Contact: Chelsea Bailey
Phone: (503) 906-8506
Email: cbailey@routeware.com

Date: July 24, 2020
Order Expires: August 22, 2020

Order # 1914-R3

I authorize this purchase subject to the terms and conditions of the Master Terms.

City of Tulare - CA

Signature

Title

Name (Printed)

Date

Routeware, Inc.

Signature

Title

Name (Printed)

Date

Order # 1914-R3 | Date: July 24, 2020

Link to Routeaware Video:

<https://www.youtube.com/watch?v=yfPEByn4nTk>