

AGREEMENT FOR CONTRACTOR SERVICES

THIS AGREEMENT is made as of the 29th day of August _____ in the year 2008, between **THE CITY OF LEESBURG**, a Florida Municipal Corporation, whose address is 501 West Meadow Street, Post Office Box 490630, Leesburg, Florida 34749-0630 (hereinafter referred to as the "CITY"), and **WAUKESHA ELECTRIC SYSTEMS, INC.**, whose address is 2701 U.S. Highway 117 South, Goldsboro, North Carolina 27530 (hereinafter referred to as the "CONTRACTOR").

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties to this Agreement, and for other good and valuable considerations, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **Services.** The CONTRACTOR shall perform the services detailed in EXHIBIT "B", which is attached, for a total price of \$48,550.00. The cost of the services shall not exceed the above amount unless the CITY has executed a written change order approving any increase in price or change to the scope of services. Nothing herein shall limit the CITY'S right to obtain proposals or services from other contractors for similar projects.
2. **Labor and Materials.** All work will be done in a competent and workmanlike manner, using quality, new materials. CONTRACTOR shall guarantee all materials and workmanship furnished under this agreement for a period of one (1) year from completion.
3. **Insurance.** The CONTRACTOR will maintain throughout this Agreement the following insurance: SEE EXHIBIT "A."
 - A. The original of each such certificate of insurance shall be delivered to CITY by CONTRACTOR prior to starting work, which shall provide evidence that the premiums have been paid.
 - B. All required insurance shall be provided by insurers acceptable to the CITY with an A.M. Best rating of at least "A."
 - C. The CONTRACTOR shall require, and shall be responsible for assuring that any and all of its subcontractors secure and maintain such insurance that are required by law to be provided on behalf of their employees and others until the completion of that subcontractors work.
 - D. The required insurance shall be secured and maintained for not less than the limits required by the CITY, or as required by law, whichever is greater.
 - E. The required insurance shall not limit the liability of the CONTRACTOR. The CITY does not represent these coverages or amounts to be adequate or sufficient to protect the CONTRACTOR'S interests or liabilities, but are merely required minimums.
 - F. All liability insurance shall be written on an occurrence basis.

G. Insurance required of the CONTRACTOR, or any other insurance of the CONTRACTOR shall be considered primary, and insurance of the CITY, if any, shall be considered excess as applicable to any claims, which arise out of the agreement, contract or lease.

H. Except for workers' compensation, the CONTRACTOR'S insurance policies shall be endorsed to name the CITY OF LEESBURG as additional insured to the extent of the agreement, contract or lease.

I. The Certificate(s) of Insurance shall designate the CITY as certificate holder as follows:

**City of Leesburg
Attention: Mike Thornton, Purchasing Manager
P.O. Box 490630
Leesburg, Florida 34749-0630**

J. The Certificate(s) of Insurance shall include a reference to the project and/or purchase order number.

K. The Certificate(s) of Insurance shall indicate that the CITY shall be notified at least thirty (30) days in advance of cancellation.

L. The Certificate(s) of Insurance shall include all deductibles and/or self-insurance retentions for each line of insurance coverage.

4. Indemnification. The CONTRACTOR agrees to make payment of all proper charges for labor required in the aforementioned work and CONTRACTOR shall indemnify CITY and hold it harmless from and against any third party loss or damage, claim or cause of action, and any attorneys' fees and court costs, arising out of: any unpaid bills for labor, services or materials furnished to this project; any failure of performance of CONTRACTOR under this Contract; or the negligence of the CONTRACTOR in the performance of its duties under this Contract, or any act or omission on the part of the CONTRACTOR, his agents, employees, or servants. CONTRACTOR shall defend, indemnify, and save harmless the CITY or any of their officers, agents, or servants and each and every one of them against and from all third party claims, suits, and costs of every kind and description, including attorney's fees, and from all damages to which the CITY or any of their officers, agents, or servants may be put by reason of injury to the persons or property of others resulting from the performance of CONTRACTOR'S duties under this Contract, or through the negligence of the CONTRACTOR in the performance of its duties under this Contract, or through any act or omission on the part of the CONTRACTOR, his agents, employees, or servants.

5. Codes, Laws, and Regulations. CONTRACTOR will comply with all applicable codes, laws, regulations, standards, and ordinances in force during the term of this Agreement.

6. Permits, Licenses, and Fees. CONTRACTOR will obtain and pay for all permits and licenses required by law that are associated with the CONTRACTOR'S performance of the Scope of Services.

7. **Access to Records.** CONTRACTOR will maintain accounting records, in accordance with generally accepted accounting principles and practices, to substantiate all invoiced amounts. Said records will be available for examination by the CITY during CONTRACTOR'S normal business hours. Said records will be maintained for a period of three (3) years after the date of the invoice.

8. **Contingent Fees Prohibited.** The CONTRACTOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONTRACTOR, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONTRACTOR any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. In the event of a breach of this provision, the CITY shall have the right to terminate this Agreement without further liability and at its discretion, deduct from the contract price, or otherwise recover, the full amount of any such fee, commission, percentage, gift or consideration paid in breach of this Agreement.

9. **Payment.** CITY shall compensate CONTRACTOR for their services detailed in EXHIBIT "B" as payment upon successful completion and acceptance of the work. No other and costs or services shall be billed to the CITY.

10. **Ownership of Documents.** All data, specifications, calculations, estimates, plans, drawings, construction documents, photographs, summaries, reports, memoranda, and other documents, instruments, information and material prepared or accumulated by the CONTRACTOR (or by such sub-consultants and specialty consultants) in rendering services hereunder shall be the sole property of the CITY who may have access to the reproducible copies at no additional cost other than printing. Provided, that the CONTRACTOR shall in no way be liable or legally responsible to anyone for the City's use of any such materials for another PROJECT, or following termination. All original documents shall be permanently kept on file at the office of the CONTRACTOR.

11. **Independent Contractor.** The CONTRACTOR agrees that it is an independent Contractor and not an agent, joint venture, or employee of the CITY, and nothing in this Agreement shall be construed to be inconsistent with this relationship or status. None of the benefits provided by the CITY to its employees, including but not limited to, workers' compensation insurance, unemployment insurance, or retirement benefits, are available from the CITY to the CONTRACTOR. CONTRACTOR will be responsible for paying its own Federal income tax and self-employment tax, or any other taxes applicable to the compensation paid under this Agreement. The CONTRACTOR shall be solely and entirely responsible for his or her acts during the performance of this Agreement.

12. **Assignment.** Neither party shall have the power to assign any of the duties or rights or any claim arising out of or related to the Agreement, whether arising in tort, contract, or otherwise, without the written consent of the other party. These conditions and the entire Agreement are binding on the heirs, successors, and assigns of the parties hereto.

13. **No Third Party Beneficiaries.** This Agreement gives no rights or benefits to anyone other than the CONTRACTOR and the CITY.

14. Jurisdiction. The laws of the State of Florida shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it. In the event of any litigation arising under or construing this Agreement, venue shall lie only in Lake County, Florida.

15. Term and Termination. The term of this Agreement shall be for a period of six (6) months or until the terms and conditions of this Agreement, including, but not limited to, its Scope of Services, have been completed, whichever occurs first, as determined by the CITY. Work shall begin within 15 calendar days from the date the CITY issues a Notice to Proceed. All services to be rendered by the CONTRACTOR, as specified in the Contract Documents, shall be completed within thirty (30) calendar days from the date the CITY issues the Notice to Proceed. All or part of this agreement may be terminated by the CITY for its convenience on fifteen (15) days written notice to the CONTRACTOR. In such event, the CONTRACTOR will be entitled to compensation for services competently performed up to the date of termination plus demobilization and other related costs.

16. Contact Person. The primary contact person under this Agreement for the CONTRACTOR shall be Ronald A. Yankum. The primary contact person under this Agreement for the CITY shall be Rick Reichert.

17. Approval of Personnel. The CITY reserves the right to approve the contact person and the persons actually performing the professional services on behalf of CONTRACTOR pursuant to this Agreement. If CITY, in its sole discretion, is dissatisfied with the contact person or the person or persons actually performing the services on behalf of CONTRACTOR pursuant to this Agreement, CITY may require CONTRACTOR assign a different person or persons be designated to be the contact person or to perform the CONTRACTOR services hereunder. In the event that any such replacement is for the convenience of the City, and not for justified cause, then the City shall pay contractor for all associated costs for replacing such replaced employee, including any demobilization, remobilization, training, incurred labor, material and other related costs.

18. Disclosure of Conflict. The CONTRACTOR has an obligation to disclose to the CITY any situation that, while acting pursuant to this Agreement, would create a potential conflict of interest between the CONTRACTOR and his duties under this Agreement. IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the respective dates under each signature.

19. Each person signing this agreement on behalf of either party individually warrants that he or she has full legal power to execute this Agreement on behalf of the party for whom he or she is signing, and bind and obligate such party with respect to all provisions contained in this agreement.

[Remainder of page intentionally left blank.]

THE CITY OF LEESBURG, FLORIDA

By: _____
Mayor

ATTEST:

City Clerk

Approved as to form and content:

City Attorney

"WAUKESHA ELECTRIC SYSTEMS, INC."

By: _____
Ronald A. Yankum

Printed: Ronald A. Yankum

Title: Service Project Engineer

Date: 8/29/08

Exhibit "A"

SCOPE OF SERVICES

I. Scope of Work.

A. CONTRACTOR shall provide all labor, equipment and materials necessary to perform the dehydration of the following three (3) substation transformers:

- (i) The East Substation Transformer #2
- (ii) The Picciola Substation Transformer #2, and
- (iii) The Airport Substation Transformer #2.

II. General Terms and Conditions. The general terms and conditions from Bid #80371, which are located on pages 5 through 9 of the Bid Packet are incorporated by reference and made a part hereof.

III. Technical Specifications. The technical specifications from Bid #80371, which are located on pages 10 through 14 of the Invitation to Bid Packet are incorporated by reference and made a part hereof.

V. Vendor Bid Response. The vendor response to Bid #80371 submitted is incorporated by reference and made a part hereof. This includes the document titled Waukesha Service – Quotation # GSS12802 Rev 1 consisting of 7 pages and included here at **EXHIBIT "B"**.

VIII. Exceptions and Additions. The exceptions and additions, which are attached hereto as **EXHIBIT "B"**, are incorporated by reference and made a part hereof. The terms and conditions of this Agreement are subject to CONTRACTOR'S exceptions and additions.

EXHIBIT "B"



Waukesha Electric Systems, Inc.
PO Box 286
2701 US Highway 117 South
Goldsboro, NC 27530
Tel: 919-734-8900 • Fax: 919-581-1675
Customer Service: 800-365-2497

QUOTATION

DATE: August 6, 2008

TO: Mike Thornton City of Leesburg
purch@leesburgflorida.gov

CC: Perry Webster Electric Sales Associates
Rich Simonelli Waukesha Service
Tommy Walters Waukesha Service

RE: ITB No; 80371 Dehydration of Substation Transformers

Submitted By: Ron Yankum Service Project Engineer – East Region
Waukesha Electric Systems, Inc.
Service and Components Division
207-6223402 office 207-522-5778 cell 866-838-4368 fax
Ron.Yankum@waukesha.spx.com

WAUKESHA QUOTATION NUMBER: GSS 12802 Rev 1

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Confidentiality Notice

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EXHIBIT "B"



1. Scope of Work

Waukesha Service is please to provide crew and equipment to performing the following scope of work:

Equipment: H K Porter (2)	Equipment: Cooper
Gallons of Oil: 2980	Gallons of Oil: 3760
Voltage: 69-12Kv	Voltage: 69-12Kv
MVA: 12	MVA: 12

Perform Dehydration/Oil processing of the above 3 units. The scope for each unit will included:

- Mobilize crew and equipment to customer site.
- Verify disconnect and grounding of equipment by Customer.
- Pre-Test the unit consisting of:
 - Bushing power factor and capacitance
 - Core megger
 - Transformer turns ratio at all taps
 - Insulation power factor
 - Insulation resistance
 - Oil sample
 - Moisture content
 - Power factor
 - Dielectric Strength
 - Dissolved gas analysis
- Drain all oil from the unit into clean dry tankers provided by Waukesha. Dehydrate and degas the oil as it passes thru the oil processor into the tanker. Monitor oil characteristics as it passes thru the chamber.
- Follow down with dry air.
- Pull vacuum down to 2 torr on the unit for 4-8 Hrs.
- Vacuum fill unit per specification.
- Oil Filling
 - Elevate core/coil temperature, if necessary
 - Conduct vacuum leak test
 - Vacuum fill in accordance with WES Instruction Leaflet Doc. 2011
 - Oil will be passed back thru the processor again to degas and de-hydrate the oil
 - Vacuum fill transformer oil while maintain a vacuum level of 5 Torr or less
 - Pull tail vacuum for 1 hour after completing filling
 - Fill conservator tank or activate nitrogen system, as appropriate for transformer design.
- Final test per same pre-testing requirements.
- Perform a functional test of LTC and Fans. Any repairs required will be on Time and Material basis.
- Review all tests with customer.
- Provide hand written field reports with final reports 2-3 weeks later.
- Repeat the same procedure on the next 2 units except the East Substation transformer, which will have a vacuum hold time of 24hrs to pull moisture from the insulation paper. The East Substation transformer will also be regasketed. This will include, bushings, radiators, manholes and devices all with new gaskets provided by Waukesha.
- Demob from site.

2. Performance

EXHIBIT "B"



Work is quoted upon Waukesha crews working 7 days a week, 8-12 hours per day, and 24 hours per day while oil processing. It is estimated that work scope will take 8-9 days to complete depending upon weather conditions.

Estimated start date: TBD

Schedule of service crews and personnel is subject to prior sale.

3. Clarifications to Scope of Work

Unless specifically address in scope of work, the following assumptions have been made in preparation of our offer.

- Waukesha intends to start on one unit and move to the next on a continuous basis. Delays in between units will incur additional cost.
- Fullers Earth oil processing is not included.
- Oil Inhibitor additive is included.
- Waukesha assumes all units are fully vacuum rated.
- Purchaser shall be responsible for switching, lock out, and grounding of any equipment necessary to establish safe work area.
- Purchaser shall provide suitable, free, clear, unlimited, and compacted access route, roads, and area around work location for access of service equipment.
- Purchaser shall disconnect and reconnect all external protection, control, and relay wiring, as required.
- Purchaser shall disconnect and reconnect all external bushing terminations or bus work, as required.
- Purchaser shall disassemble and reassemble any deluge systems, as required.
- Waukesha will compile all crating and waste material in designated area; however, purchaser shall be responsible for disposal of solid wastes.
- Purchaser shall provide drum and dispose of all waste, flush, and scrap oil generated in execution of work.
- Purchaser shall provide sanitation facilities.
- No provisions have been included for secondary oil containment as may be required for compliance to local site SPCC programs.
- If required, purchaser shall provide a PCB report showing PCB concentration of the unit within 90 days prior to start of scheduled work.
 - If PCB concentration is higher than 49 PPM, Waukesha will be unable to complete the work.
 - If PCB concentration is 1-49 PPM, an additional decontamination charge will be assessed. The proper disposal of the oil shall be the responsibility of the purchaser
- Waukesha intends to utilize its own personnel and equipment, however, if scheduling conflict occurs; Waukesha reserves the right to hire subcontractors to assist with the work.

4. Schedule of Pricing

The pricing for the work scope as defined above is indicated on the attached Bid Forms for performance by October 2008. The below surcharge policy applies to the Bid form pricing

Surcharge Policy:

Due to impact of rapidly increasing fuel cost, this order will be subject to a fuel surcharge at time of invoicing based upon the increase to Weekly Retail On-Highway Diesel prices as published by Energy Information Administration (<http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp>). At the time of this quotation, the average retail on-highway diesel price is \$4.55.

EXHIBIT "B"



If, at the time of invoicing, the average week retail price of on-highway diesel increases beyond this target price, a surcharge equal to 0.25% of the total invoice will apply for each \$0.05 increase in fuel prices.

Unless specifically noted, prices do not include:

- Any site specific or customer required access and/or safety training beyond 1-2hrs.
- Any special and/or site-specific safety, PPE, or environmental requirements.
- Use of union labor
- Local Sales or Use tax

Requested changes to work scope or delays outside the control of Waukesha shall be billed in accordance with Waukesha Price List.

5. Comments/Exceptions to Contract Documents

See the attached Clarifications to Bid

6. Terms and Conditions Statement

Work shall be performed in accordance with the existing Terms and Conditions established with the City of Leesburg from previous Transformer Swap project.

Bid is valid for a period of 60 days.
Payment terms and conditions are subject to credit approval.

7. Customer Acceptance

Waukesha has been requested to perform the above noted services. This work authorization, per subject terms & conditions provided with this document, forms the basis of contract with Waukesha Electric Systems, Inc.

Authorization/Purchase Order Number: _____ Date: _____

Billing Address: _____

Customer Signature: _____

Waukesha thanks you for the opportunity to provide a quotation for this work. We look forward to your consideration of this offering, and welcome any questions that you may have regarding this quotation for your service requirements.

Best Regards,

Ronald A. Yankum
Service Project Engineer – East Region

EXHIBIT "B"



Waukesha Electric Systems, Inc.
PO Box 286
2701 US Highway 117 South
Goldsboro, NC 27530
Tel: 919-734-8900 • Fax: 919-581-1675
Customer Service: 800-365-2497

TECHNICAL SPECIALIST SERVICES

Waukesha maintains a significant staff of trained field engineers and technicians who are available to provide advisory assistance, installation, inspection, commissioning, testing, troubleshooting, start up, engineering studies, maintenance and repair services of electrical apparatus.

Technical Specialists are classified in two categories dependent upon the degree of expertise and complexity of the service required.

Service Engineer

The service engineer has specialized educational training along with factory training and experience in design, assembly, installation, or testing. This specialist is required for special diagnosis, repairs, inspection, failure analysis, and engineering evaluations.

Service Technician

The service technician has specialized factory training and experience. This specialist can act as a consultant for customer's personnel with respect to correct installation, testing, maintenance, or service requirements consistent with Waukesha guidelines.

Specialist Rates

Classification	Daily Rate	Daily Rate With Per Diem	Hourly Overtime Rate	Hourly Sunday & Holiday Rate
Service Engineer	\$1200	\$1400	\$225	\$300
Service Technician	\$960	\$1200	\$180	\$240

1. **Daily rate** applies to all time worked or traveled during a normal eight hour workday. The shift is defined as any consecutive eight-hour period (Monday-Friday, holidays excepted) with an allowance for lunch.
2. **Overtime rate** applies to all hours worked in excess of eight hours on weekdays and all time worked or traveled on Saturdays.
3. **Sunday and Holiday rate** applies to all hours work or traveled on Sundays or holidays.

Hourly and daily rates are exclusive of all travel and living costs.

Charges for travel and living expenses will be billed at cost plus a 18% handling charge.

Per Diem

Where purchasers specify or require daily rates for field services inclusive of local traveling and living expenses, a flat charge will be billed for all time worked or traveled per eight hour weekday or fraction thereof (Monday through Friday). All hours worked or traveled in excess of eight hours per weekday and all hours on Saturdays, Sundays, and holidays will be billed at the applicable hourly overtime rates. Per Diem rates exclude the cost of airfare to/from the job site and headquarters.

Traveling Time

The maximum billing for traveling time, at the applicable rate, shall be eight hours per specialist for any one-calendar day.

Traveling time and expenses for each specialist will include leaving and returning to the employee's headquarters.

Minimum Billing

A minimum billing for one day's service will be charged for each day or fraction thereof that a Technical Specialist spends on the customer's premises.

EXHIBIT "B"



Waukesha Electric Systems, Inc.
PO Box 286
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Standby Time

When Technical Specialists are on the customer's premises but are unable to perform the services requested because of circumstances beyond the control of Waukesha, the purchaser will be charged at the applicable rate.

OTHER CHARGES

The following charges will be in addition to the service rates stated previously.

A. Expendable Small Tools

When a particular job requires the furnishing of small expendable tools not normally carried by the Technical Specialist, a charge for such tools will be billed at the cost of acquisition.

B. Material Furnished by Waukesha

All Waukesha material used on the job will be billed at current prices.

C. Material Purchased from Subcontractors or Other Vendors

When the job requires the purchase of materials or services from subcontractors or other vendors, such items will be billed at cost plus 18% handling charge.

D. Special Tools and Equipment Furnished by Waukesha

A rental charge shall be made for all specialized tools, equipment, and instruments. Refer to Waukesha Field Service Equipment Rental Rate Sheet.

E. Company Vehicle Mileage Rate

The cost of mileage for company vehicles to travel to and from the standard job site will be billed at a rate of \$0.85 per mile.

PRODUCT WARRANTY WORK

Product warranty work on Waukesha supplied equipment will be performed F.O.B. factory or at the customer's site, at Waukesha's option. Work at the customer's site will be accomplished during a normal eight hour straight time day. If the purchaser requests that product warranty work be performed during any other time period, purchaser will be invoiced for the premium time portion of the work, i.e., the difference between the applicable rate and the overtime rate for the services performed.

TERMS OF PAYMENT

Net 30 days from date of invoice

TERMS AND CONDITIONS

See Waukesha Electric Systems Terms and Conditions of Sale

EXHIBIT "B"

SCHEDULE OF BID ITEMS

Your bid quotation **MUST** be submitted on this form.

Waukesha Electric Systems, Inc

Vendor Name: _____

Item No	Description	Total Cost for Transformer Dehydration Processing
1.	Vacuum processing, dehydration and vacuum filling of East Substation Transformer #2	\$ 31,550.00
2.	Vacuum processing, dehydration and vacuum filling of Airport Substation Transformer #2	\$ 8,500.00
3.	Vacuum processing, dehydration and vacuum filling of Picciola Substation Transformer #2	\$ 8,500.00
TOTAL COST		\$46,550.00

Surcharge policy applies

Double check the quoted prices. Amounts cannot be changed following the bid due date and time. Unit price will take precedence if extended price is incorrect.