



## **GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

### **REQUEST FOR BIDS**

#### **Drinking Water Treatment Chemicals**

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Responders to this Request for Bids (RFB) must deliver one signed original, two (2) copies, and one electronic copy of the proposal.

**Proposal Submission Deadline (date/time): February 1, 2019 at 3:00pm**

**Submit Proposal to: Georgetown Divide Public Utility District Office  
6425 Main Street  
Georgetown, CA 95634**

#### **REGISTERING YOUR EMAIL ADDRESS**

##### **FOR QUESTIONS CONCERNING THIS REQUEST FOR BIDS:**

Potential respondents who want to receive changes, additions, and deletions to the RFB, as well as a copy of all the questions and responses by the Georgetown Divide Public Utility District, should register online by following the link on the GDPUD website. The link to open RFBs is at the following website: <https://www.gd-pud.org/bids-proposals>

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### ATTACHMENTS

- A. Bid Schedule
- B. Chemical Specifications
- C. Sample Vendor Agreement

# REQUEST FOR BID

## Drinking Water Treatment Chemicals

### SECTION 1 — INTRODUCTION

The Georgetown Divide Public Utility District (GDPUD) is soliciting Bids from Vendors to provide Drinking Water Treatment Chemicals Fiscal Years 2018/2019, 2019/2020, and 2020/2021. The District operates two potable water treatment plants located in northwestern El Dorado County in the communities of Georgetown and Greenwood, approximately 35 miles east of Sacramento.

GDPUD will open and review the Bids at 3:00pm on February 1, 2019.

Submission of a Bid indicates acceptance by the Vendor of the conditions contained in this RFB, unless clearly and specifically noted in the bid submitted and confirmed in the agreement between GDPUD and the Vendor selected. The selected Vendor will execute a Services Agreement as included in Attachment C. GDPUD reserves the right, without prejudice, to reject any or all bids.

#### 1.1 RFB Schedule

Advertisement of RFB	January 11, 2019
Deadline for Questions	January 21, 2019
Response to Questions	January 25, 2019
<b>Deadline for Proposal/Bid Submittal</b>	<b>No later than 3:00 PM, February 1, 2019</b>
Award by Board	Anticipated February 12, 2019

#### 1.2 General Selection Process

GDPUD intends to select a responsible and responsive Vendor with the lowest total bid amount.

### SECTION 2 — SCOPE OF SERVICES

The Vendor will provide pricing for the drinking water treatment chemicals listed in Attachment A, Bid Schedule. The Bid Schedule is a list of anticipated items and their estimated quantities for one full fiscal year. The amounts listed in Attachment A, Bid Schedule are based on historical usage, GDPUD may order more or less than the estimated quantity during each fiscal year. The objective of this RFB is to select a vendor that sells the chemicals identified in the Bid Schedule, obtain the lowest possible pricing for those items, and issue a blanket purchase order to the Vendor to be used for purchases each fiscal year.

#### 2.1 Sodium Hypochlorite

Sodium Hypochlorite shall be solution of 12.5% Sodium Hypochlorite by weight. It shall be tested and certified as meeting the Specification, the AWWA Standard B300-99, latest revision and those of the American National Standards Institute/National Sanitation Foundation Standard 60 (ANSI/NSF Standard 60), Drinking Water Treatment Chemicals Health Effects.

Exact specifications required are listed in Attachment B. Sodium Hypochlorite shall be delivered either in 53-gallon drums, or in bulk pump off to 500-gallon storage tank; whichever is preferred by the Vendor. In the case of bulk pump off, Vendor must be able to pump approximately 75 feet. In the case of drums, Vendor must have capability to remove drums from delivery vehicle and place on the ground.

## **2.2 Soda Ash**

Soda Ash shall be light density, anhydrous sodium carbonate (NA<sub>2</sub>CO<sub>3</sub>). Soda Ash shall be Genesis Alkali Grade 100, or equal as approved by the District. Specifications required are included in Attachment B. Soda Ash must meet NSF/ANSI 60 Standards. Soda Ash shall be supplied in palletized 50-pound sacks. Vendor must have capability to remove palletized Soda Ash sacks from delivery vehicle and place on the ground.

## **2.3 Delivery Requirements**

The items will be supplied throughout the year on an as needed basis with seasonal fluctuations. Typical order would consist of 8 – 12, 53-gallon drums or +/- 400 gallons Sodium Hypochlorite and 1,300 pounds of Soda Ash in 50-pound sacks, for each plant. Delivery will be split between two water treatment plants.

The actual shipping addresses are:

Walton Lake Water Treatment Plant  
8180 Balderston Road  
Georgetown, CA 95634

Auburn Lake Trails Water Treatment Plant  
3650 Sweetwater Trail  
Greenwood, CA 95635

Delivery time of day shall be arranged upon placement of order and shall be between the hours of 8:30 A.M. and 4:00 P.M. Monday thru Friday. Requests to deviate from this schedule must be confirmed with the District 48 hours prior to the scheduled delivery and must conform to the delivery conditions set forth in these specifications.

Shipping, surcharges, and assessment fees to be included for all Items.

## **SECTION 3 — RFB SUBMITTAL REQUIREMENTS**

The intent of these requirements is to assist Vendors in the preparation of their proposal and to simplify the review process for GDPUD. One signed original, two (2) copies, and one electronic copy of the proposal must be received, and date stamped by GDPUD no later than **February 1, 2019 at 3:00 PM**. If a proposal is sent by mail or other delivery system, the sender is totally responsible for the mail or delivery system delivering the proposal to GDPUD on or before the deadline.

Bids shall be clearly marked “Request for Bids for Drinking Water Treatment Chemicals,” and submitted to:

**Georgetown Divide Public Utility District  
6425 Main Street  
PO Box 4240  
Georgetown, California 95634**

Note: Late submittals or submittals delivered to the wrong location will be rejected.

GDPUD requires the proposer to submit a concise proposal clearly addressing all the requirements outlined in this RFB. The Bids must be signed by proposer’s representative authorized to execute a contract between GDPUD and proposer. The Bids must include the following:

### **A. Cover Letter**

- List the name, address, and telephone number of the Vendor.
- Signed by an authorized representative of the consultant. The Vendor shall furnish documentation that the person signing the proposal is empowered with signatory authority for the Vendor. The form could be a Corporate Resolution.
- State the bids are firm for Fiscal Years 2018/2019, 2019/2020, 2020/2021 (ie. through June 30, 2021).
- Provide the name, title, address and telephone number of the individual to whom correspondence and other contacts should be directed during the Vendor selection process.
- Provide the location of the Vendors headquarters.

### **B. Bid Schedule**

- Provide a completed and signed bid schedule (Attachment A).

## **SECTION 4 — SELECTION PROCESS AND EVALUATION CATEGORIES**

### **4.1 Selection Criteria**

GDPUD intends to select a responsible and responsive Vendor with the lowest total bid amount. The lowest total bid amount will be determined based on the Total Bid Amount provided by the Vendor on Attachment A, Bid Schedule.

## **SECTION 5 — GENERAL TERMS AND CONDITIONS**

### **5.1 Limitation**

This RFB does not commit GDPUD to award a contract, to pay any cost incurred in the preparation of the Consultant's RFB response, or to procure or contract for services or supplies. GDPUD is not responsible for proposals that are delinquent, lost, mismarked, and sent to an address other than that given above, or sent by mail or courier service. GDPUD reserves the right to accept or reject any or all RFB responses received because of this request or to cancel all or part of this RFB.

### **5.2 Public Records**

All proposals shall become the property of GDPUD and will become public records and, as such, may be subject to public review.

## **SECTION 6 — QUESTIONS**

If you have any questions regarding this RFB, prior to January 21, 2019, please email:  
Martin Ceirante, Chief Water Treatment Plant Operator  
Email: [marty@gd-pud.org](mailto:marty@gd-pud.org)

**ATTACHMENT A**  
**BID SCHEDULE**

**ATTACHMENT A**  
**BID SCHEDULE**  
**DRINKING WATER TREATMENT CHEMICALS**

<b>ITEM NUMBER</b>	<b>DESCRIPTION</b>	<b>UNITS</b>	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>EXTENDED PRICE</b>
1	Sodium Hypochlorite (12.5%)	Gallons	8,000		
2	Light Density Soda Ash	Pounds	20,000		
<b>TOTAL BID AMOUNT</b>					

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**TOTAL AMOUNT IN WORDS**

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Signature, Printed Name



**ATTACHMENT B**  
**CHEMICAL SPECIFICATIONS**

# SODIUM HYPOCHLORITE

12.5%

(15 % Trade)

## SPECIFICATIONS

<b>Property</b>	<b>Product Specifications</b>
Sodium Hypochlorite (as NaOCl)	12.50 % (11.9 – 15.6)
Chlorine (% weight)	11.3 % - 14.9 %
Specific Gravity (@60 F)	1.16 min.
Color	Clear yellow
Odor	Pungent chlorine bleach odor

NSF Certified (ANSI/NSF Standard 60)

# Genesis Alkali Grade 100™

Light Density Soda Ash  
CAS No. 497-19-8

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**Chemical Name** Sodium Carbonate, anhydrous

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**CAS Name** Disodium carbonate

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**Formula** Na<sub>2</sub>CO<sub>3</sub>

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**Molecular Weight** 105.99

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## Physical Properties

	<b>Typical</b>	<b>Specification</b>
Absorptivity, wt %	19	18 min
Bulk Density: lb/ft <sup>3</sup>	48	44 - 54
g/cm <sup>3</sup>	0.77	0.70 - 0.86
Screen analysis, cumulative wt %		
On US 30(600 µm)	1	
US 40(425 µm)	8	25 max
US 100(150 µm)	88	
Thru US 200(75 µm)	2	7 max

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## Chemical Properties

	<b>Typical</b>	<b>Specification</b>
Na <sub>2</sub> O, wt %	58.4	58.0 min
Na <sub>2</sub> CO <sub>3</sub> , wt %	99.8	99.2 min
Na <sub>2</sub> SO <sub>4</sub> , wt %	0.04	0.10 max
NaCl, wt %	0.03	0.10 max
Fe <sub>2</sub> O <sub>3</sub> , ppm	7 20 max	
Arsenic, ppm		3 max
Heavy metals as Pb, ppm		10 max
Water insolubles, wt %	0.01	0.05 max

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## General Properties

Description	white granular solid
Melting point, °C (F)	851 (1564)
Solubility, max % @ 35.4 °C	33.2
pH, 1% solution @ 25 °C	11.4

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## Standard Containers

50 lb (22.7 kg) bags  
One ton super sacks  
Bulk hopper cars and trucks

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The information contained herein is, to our knowledge, true and accurate. Because conditions of use are beyond our control, we make no warranty or representation, expressed or implied, except that the products discussed herein conform to the chemical descriptions shown on their labels. Nothing contained herein should be construed as permission or recommendation to infringe any patent. No agent, representative, or employee of this company is authorized to vary any of the terms of this notice.

**ATTACHMENT C**  
**VENDOR AGREEMENT**

## BID DOCUMENTS

### DRINKING WATER TREATMENT CHEMICALS AND SUPPLIES VENDOR AGREEMENT

This Drinking Water Treatment Chemicals and Supplies Agreement (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 201\_\_, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California public utilities district (“District”), and (“Vendor”) \_\_\_\_\_, whose address is \_\_\_\_\_ District and Vendor may herein be referred to individually as a “Party” and collectively as the “Parties.” There are no other parties to this Agreement.

#### RECITALS

- A. District seeks to engage a vendor involved in the sale of water treatment chemicals and supplies (the “Products”) to purchase the Products on an as-needed basis.
- B. District issued a Request for Bids on \_\_\_\_\_ and determined that Vendor is the lowest bidder that fulfills the requirements outlined in the Request for Bids. The Request for Bids is attached as **Exhibit A**
- C. Vendor represents that it is licensed to sell the Products to the District from the Effective Date through June 30, 2021.
- D. Vendor has made a proposal to District to sell the Products to District on an as-needed basis. A description of the Products and Delivery Requirements Vendor has proposed to sell District is attached hereto as **Exhibit B** (the “Products List and Delivery Requirements”).
- E. District desires to retain Vendor to provide Products on an as-needed basis, subject to the terms and conditions set forth in this Agreement. However, District has no obligation to purchase any Products from Vendor.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

#### AGREEMENT

**Section 1. Recitals.** The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Section 1 through 46 of this Agreement, Sections 1 through 46 shall prevail.

**Section 2. Term.** The term of this Agreement shall commence on the Effective Date and will continue in effect until June 30, 2021 unless the Parties mutually agree in writing to

terminate the Agreement earlier, or it is terminated earlier as provided for in Sections 16 or 18 below (“Term”).

**Section 3. Non-Exclusive Agreement.** Nothing in this Agreement is intended nor shall be construed as creating any exclusive arrangement between District and Vendor. This Agreement shall not restrict District from acquiring similar, equal, or like goods from other entities or sources.

**Section 4. Purchase Orders.** Subject to the terms and conditions set forth in this Agreement, Vendor shall provide District with the Products described in Exhibit B on an as-needed basis when in receipt of a purchase order from District. A sample purchase order is attached hereto as **Exhibit C** (“Purchase Order”).

4.1 *Purchase Order Cancellation.* Vendor shall deliver the Products on the delivery date specified in the Purchase Order. District reserves the right to cancel a Purchase Order without penalty by notice to Vendor on or before the given cancellation date in the Purchase Order and at any time if the completion or delivery date is not met or, if prior to such date, District had reason to demand adequate assurance of due performance and such assurance is not forthcoming within ten (10) days after the date of District’s demand. If a delivery date or completion date is not specified on the Purchase Order, reasonable time will be allowed. District may cancel the unreceived portion of a Purchase Order at any time if delivery of the Products is not timely. If Vendor can fulfill its delivery obligation only by shipping by premium routing, the premium charges shall be paid by Vendor. If Vendor ships the Products after the “delivery by” date, “ship on” date, after the cancellation date, or after actual cancellation, District may, in the exercise of its sole discretion, refuse the shipment, or District may accept the Products.

4.2 *Non-Conforming or Unordered Products.* District will have no obligation to accept or pay for any unordered Products or Products shipped that do not conform to, or comply with, the terms and conditions of the District Purchase Order or the terms and conditions of this Agreement, including shipping and routing instructions and dates of shipment and delivery. If District takes delivery of such nonconforming order, or any part of such an order, District reserves the right to deduct from its payment all actual or reasonable expenses, including but not limited to transportation, inspection, receipt, recall, care and custody of the Products, and notice to Vendor, incurred as a result of such non-conformity or non-compliance.

If District takes delivery of unordered or non-complying Products, District may, without notice to Vendor of such fact, ship the unordered or non-complying Products to Vendor at Vendor’s cost and expense. District will have no obligation to accept or to pay for any substituted goods or excess shipment of any Products made without District’s prior written approval.

4.3 *Right of Inspection.* District will have the right to inspect the Products and reject any nonconforming Products within thirty (30) days of delivery. This right of inspection, whether exercised or not, will not affect District’s right to revoke acceptance or pursue other remedies if defects or nonconformities are discovered at a later date, notwithstanding that any defect or nonconformity could have been discovered upon inspection. Payment by District will not be

construed as an acceptance of Products or as a waiver or limitation of any of District's rights as set forth herein.

## **Section 5. Compensation.**

5.1. *Payments.* District shall issue payment in the amount invoiced by Vendor within thirty (30) calendar days of receiving such invoice unless otherwise agreed to in writing by the Parties. In the event that an amount of an invoice is in dispute, District shall inform Vendor of the amount and basis for the dispute and may withhold the amount which is in dispute until the dispute has been resolved.

5.2. *Invoices.* Vendor shall provide District with monthly invoices sufficiently evidencing the goods and merchandise provided to District by Vendor. All invoices furnished to District by Vendor shall be in a form approved by District. Vendor shall submit all billings for Products to District within forty-five (45) days of delivering such Products. Vendor must notify District's Accounts Payable in writing of any change to Vendor's "remit address." Failure to do so will delay future payments.

**Section 6. Time of Delivery.** Vendor warrants that it will deliver the Products within five (5) calendar days of the Purchase Order, or as otherwise stated on the Purchase Order when received. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

**Section 7. District Assistance to Vendor.** Vendor shall, at its sole cost and expense, furnish all Products sold pursuant to the terms of this Agreement. Notwithstanding the foregoing, District shall: (i) not actively interfere with Vendor's sale and delivery of Products under this Agreement; (ii) provide such information as Vendor may reasonably require to sell and deliver the Products under this Agreement; (iii) promptly review any and all documents and materials submitted to District by Vendor to avoid unreasonable delays in Vendor's sale and delivery of Products under this Agreement; and (iv) promptly notify Vendor of any fault or defect in the Products, or delivery or receipt of Products.

**Section 8. Representations of Vendor.** District relies upon the following representations by Vendor in entering into this Agreement:

8.1. *Qualifications.* Vendor represents that it is qualified to provide the Products listed in Exhibit B, and that it possesses the necessary licenses and permits required to deliver the Products or will obtain such licenses or permits prior to the time such licenses or permits are required. Vendor shall also ensure that all subcontractors are similarly licensed and qualified. Vendor represents and warrants to District that Vendor shall, at Vendor's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Vendor to sell the Products and shall provide District a copy of any such documentation upon request.

8.2. *Compliance with State and Local Regulations.* Vendor shall ensure compliance with all applicable federal, state, and local laws, ordinances, regulations, and permits. Vendor

shall perform all work according to generally accepted standards within the industry. Vendor shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work. District shall have the right to request and review documentation from Vendor evidencing Vendor's compliance with state and local regulations.

8.3. *Conformity with Law and Safety.* Vendor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including state, municipal and local governing bodies having jurisdiction over any or all of the scope of Vendor's operations, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, any copyright, patent, or trademark law and all other applicable state, municipal, and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. Vendor's failure to comply with any laws, ordinances, codes, or regulations applicable to the sale of Products hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

**Section 9. Inspection of Records and Products.** District shall have the right to audit Vendor's records for the purpose of determining compliance with any or all portions of this Agreement and to test Vendor's Products to confirm the quality thereof.

**Section 10. Product Recall Policy.** In the event of any and all Product recalls that are either (i) agreed upon between District and Vendor or (ii) that are required (either by law or in the commercially reasonable judgment of District) because District has reason to believe the Products are dangerous, defective, incomplete, infringe upon intellectual property rights, or are not in compliance with applicable laws and regulations, the Products will be returned to Vendor at Vendor's expense. The Agreement terms and conditions continue to apply to Products that have been recalled.

**Section 11. Price Increase Notification.** Vendor must deliver to District written notice of any proposed price increases a minimum of thirty (30) days prior to the effective date of such price increase. District may establish additional price change notices and other procedures from time to time upon written notice to Vendor. District will not be obligated to pay such price increase for any Products for which Vendor did not timely deliver such written notice.

**Section 12. Price Decrease Notification.** Vendor must deliver to District written notice of any proposed price decreases a minimum of thirty (30) days prior to the effective date of such price decrease.

**Section 13. Confidentiality.** Vendor understands and agrees that, in the sale of Products under this Agreement or in the contemplation thereof, Vendor may have access to private or confidential information that may be owned or controlled by District, and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District ("Confidential Information").



Vendor shall not, either during or after the Term of the Agreement, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Vendor written authorization to make any such disclosure, Vendor shall do so only within the limits and to the extent of that authorization.

**Section 14. Excusable Delays; Notice to Other Party of Delay.** Vendor shall not be in breach of this Agreement in the event that sales of the Products are temporarily interrupted or discontinued due to a “Force Majeure” event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts, and other labor disturbances, or other catastrophic events, which are beyond the reasonable control of Vendor. Force Majeure does not include: (i) Vendor’s financial inability to perform; (ii) Vendor’s failure to obtain any necessary permits or licenses from other governmental agencies; or (iii) Vendor’s failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Vendor.

**Section 15. Assignment Prohibited.** No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

**Section 16. Termination of Purchases by District for Its Convenience.** District shall have the right to terminate this Agreement at any time for its convenience by giving notice of such termination to Vendor. In the event District shall give such notice of termination, Vendor shall cease selling Products to District upon receipt of said notice given as required in this Agreement. Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Vendor after the date of the notice of termination.

**Section 17. Assurance of Performance.** If, at any time, District believes Vendor may not be adequately performing its obligations under this Agreement or may fail to provide the Products as required by this Agreement, District may submit a written request to Vendor for written assurances of performance and a plan to correct observed deficiencies in Vendor’s performance. Failure to provide written assurances subsequent to such written request, constitutes grounds to declare a breach under this Agreement.

**Section 18. Cancellation for Breach by Either Party.** Should either Party fail to substantially perform its obligations in accordance with the provisions of this Agreement, the other Party shall thereupon have the right to cancel the Agreement by giving written notice and specifying the effective date of such cancellation. If District cancels this Agreement for breach and it is subsequently determined that Vendor did not fail to substantially perform its obligations in accordance with this Agreement, then cancellation for breach by District shall be deemed, and treated, as termination for convenience.

Neither Party waives the right to recover damages against the other for breach of this Agreement, including any amount necessary to compensate District for all detriment proximately caused by Vendor’s failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Vendor.

District shall not in any manner be liable for Vendor's actual or projected lost profits had Vendor completed the sale of Products required by this Agreement.

**Section 19. Arbitration of Disputes.** All claims, disputes, and other matters in question between District and Vendor arising out of, or relating to this Agreement or the breach thereof, including claims of Vendor for extra compensation for Products, shall be decided by arbitration before a single arbitrator in accordance with the provisions of California Code of Civil Procedure sections 1281 to 1284.2 (the "Arbitration Laws") unless the Parties mutually agree otherwise. The provisions of Section 1283.05 of the Arbitration Laws apply to any arbitration proceeding except as otherwise provided in this Agreement. The arbitrator shall have authority to decide all issues between the Parties under this Agreement including, but not limited to, claims for extras, delay and liquidated damages, if any, provided for in this Agreement, matters involving defects in the product of the Vendor, rights to payment, and whether the necessary procedures for arbitration have been followed.

Notice of the demand for arbitration shall be filed in writing with the other Party. The demand for arbitration shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute, or other matter in question would be barred by the applicable statute of limitation.

The Parties shall jointly appoint an arbitrator within fifteen (15) calendar days of the date of giving of the notice of the demand for arbitration. If the Parties are unable to jointly agree upon the appointment of an arbitrator within said fifteen (15) calendar day period, and do not agree in writing to extend said period for a fixed period, then either Party may seek to have the arbitrator appointed by the Superior Court of El Dorado County in accordance with the Arbitration Laws.

If any proceeding is brought to contest the right to arbitrate and it is determined that such right exists, the losing Party shall pay all costs and attorneys' fees incurred by the prevailing party.

In addition to the other rules of law which may be applicable to any arbitration hereunder, the following shall apply:

(a) Promptly upon the filing of the arbitration each Party shall be required to set forth in writing and to serve upon each other Party a detailed statement of its contentions of fact and law.

(b) All parties to the arbitration shall be entitled to the discovery procedures as provided in California Code of Civil Procedure section 1283.05.

(c) The arbitration shall be commenced and conducted as expeditiously as possible consistent with affording reasonable discovery as provided herein.

(d) These additional rules shall be implemented and applied by the arbitrator.

The costs of arbitration shall be borne by the Parties as determined by the arbitrator, but each Party shall bear its own attorney's fees associated with its dispute with the other Party and to the arbitration.

**Section 20. Insurance Coverage.** During the Term, the Vendor shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than "A-," and will provide the District with written proof of said insurance. Vendor shall maintain coverage as follows:

20.1. *General Liability.* Vendor shall carry general liability insurance in the amount of Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury, personal injury, and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply, or the general aggregate shall be Two Million Dollars (\$2,000,000.00).

20.2. *Worker's Compensation Insurance and Employer's Liability.* Vendor shall carry workers' compensation insurance as required by the State of California under the Labor Code. Vendor shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) policy limit for each employee's bodily injury by disease.

20.3 *Errors and Omissions Liability.* Vendor shall carry errors and omissions liability insurance in the amount of no less than Two Million Dollars (\$2,000,000.00) per occurrence or greater if appropriate for the Vendor's profession.

**Section 21. Additional Insurance Requirements.** Within thirty (30) days of the Effective Date, Vendor shall provide District with certificates of insurance for all of the policies required under this Agreement ("Certificates"), excluding the required worker's compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Vendor shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker's compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days' prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, its agents, officers, employees, and volunteers as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the Vendor; products and completed operations of the Vendor; premises owned, occupied, or used by the Vendor, or automobiles owned, leased, or hired or borrowed by the Vendor. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District and any insurance or self-insurance maintained by District shall be in excess of Vendor's insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**Section 22. Indemnification by Vendor.** To the fullest extent permitted by law (including, without limitation, Civil Code sections 2782 and 2782.8), Vendor shall defend with legal counsel reasonably acceptable to District, indemnify, and hold harmless District and District's agents, officers, employees, and volunteers from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of Vendor or its subcontractors), expense and liability of every kind, nature and description that arise out of, pertain to, or relate to acts or omissions of Vendor, or any direct or indirect subcontractor, employee, contractor, representative, or agent of Vendor, or anyone that Vendor controls (collectively "Liabilities"). Such obligations to defend, hold harmless, and indemnify District and District's agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District's agents, officers, employees, and volunteers, but shall apply to all other Liabilities. With respect to third party claims against the Vendor, the Vendor waives any and all rights of any type of express or implied indemnity against District and District's agents, officers, employees, and volunteers.

**Section 23. Liability of District.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect, or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the sale of Products performed in connection with this Agreement.

**Section 24. Independent Contractor.** At all times during the Term, Vendor shall be deemed to be an independent contractor and shall be wholly responsible for the manner in which Vendor sells and delivers the Products sold under this Agreement. Vendor shall be liable for its acts and omissions, and those of its employees, contractors, subcontractors, representatives, volunteers, and its agents. Nothing contained herein shall be construed as creating an employment, agency, or partnership relationship between District and Vendor. District shall have the right to control Vendor only insofar as the result of Vendor's sales and deliveries rendered pursuant to this Agreement; however, District shall not have the right to control the means by which Vendor accomplishes the sale and delivery of Products rendered pursuant to this Agreement.

**Section 25. Vendor Not Agent.** Except as District may specify in writing, Vendor shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Vendor shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

**Section 26. Payment of Taxes and Other Expenses.** Payment of any taxes, including California sales and use taxes, levied upon this Agreement, the transaction, or the goods or merchandise delivered pursuant hereto, shall be the obligation of Vendor.

**Section 27. Notices.** Any notice or communication required hereunder between District and Vendor must be in writing, and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), or by Federal Express, UPS, or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by

the receiving Party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday, or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District: Georgetown Divide Public Utility District  
P.O. Box 4240  
Georgetown, CA 95634  
Attention: Steven Palmer, General Manager  
Tel: (916) 254-3287

With courtesy copies to: Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.  
Tel: (916) 468-0950  
Fax: (916) 468-0951

If to Vendor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Tel: \_\_\_\_\_  
Fax: \_\_\_\_\_

**Section 28. Exhibits.** All "Exhibits" referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit A:	Request for Bids
Exhibit B:	Products List and Delivery Requirement's
Exhibit C:	Sample Purchase Order

**Section 29. Modification.** No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

**Section 30. Waiver.** No covenant, term, or condition, or the breach thereof, shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

**Section 31. Assignment.** No Party to this Agreement shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties hereto.

**Section 32. Authority.** All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states, or firms and that all former requirements necessary or required by the state or federal law in order to enter into the Agreement have been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

**Section 33. Drafting and Ambiguities.** Each Party acknowledges that it has reviewed this Agreement with its own legal counsel, and based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

**Section 34. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**Section 35. Venue.** Venue for all legal proceedings shall be in the Superior Court of California, County of El Dorado.

**Section 36. Severability.** If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

**Section 37. Counterparts.** This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

**Section 38. Audit.** District shall have access at all reasonable times to all invoices, purchase orders, contract documents, contract files, and personnel necessary to audit and verify Vendor's charges to District under this Agreement.

**Section 39. Entire Agreement.** This Agreement, together with its specific references, attachments, and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof and supersedes any and all prior negotiations, understanding, and agreements with respect hereto, whether oral or written.

**Section 40. Supersedes Prior Agreement.** It is the intention of the Parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, or representations whether, written, electronic, or oral, between the Parties with respect to the subject matter of this Agreement.

**Section 41. Mandatory and Permissive.** "Shall," "will," and "agrees" are mandatory. "May" and "can" are permissive.

**Section 42. Successors and Assigns.** All representations, covenants, and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the Parties hereto, shall be binding upon and inure to the benefit of such Party, its successors and assigns.

**Section 43. Headings.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

**Section 44. Attorney's Fees and Costs.** If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

**Section 45. Necessary Acts and Further Assurances.** The Parties shall, at their own cost and expense, execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

**Section 46. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

*[SIGNATURES ON FOLLOWING PAGE]*

**IN WITNESS WHEREOF**, this Agreement has been entered into by and between District and Vendor as of the Effective Date.

**DISTRICT:**

**VENDOR:**

GEORGETOWN DIVIDE PUBLIC UTILITIES  
DISTRICT, a California Public Utilities District

By: \_\_\_\_\_  
Steven Palmer, General Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel  
Georgetown Divide Public Utilities District



**EXHIBIT C  
SAMPLE PURCHASE ORDER**

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
WATER DISTRIBUTION PARTS AND SUPPLIES  
PURCHASE ORDER**

<b>Purchase Order</b>
Purchase Order #: Date of Order: District Notes:

<b>Supplier Information</b>	<b>Delivery Address</b>
Address:   Phone No: Attn: Other Contact:	Georgetown Divide Public Utility District   Phone No: Attn: Other Contact:

<b>Delivery By Date</b>	<b>Requested By</b>	<b>Approved By</b>	<b>Department</b>

<b>Item Name</b>	<b>Item Code</b>	<b>Qty.</b>	<b>Item Price</b>	<b>Disc.</b>	<b>District Notes</b>	<b>Subtotal</b>

<b>Order Total</b>