

**AGENDA**

**ENGINEERING COMMITTEE MEETING  
LEUCADIA WASTEWATER DISTRICT**  
Tuesday, October 1, 2024 – 2:00 p.m.  
1960 La Costa Avenue, Carlsbad, CA 92009

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1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **Batiquitos Pump Station Emergency Basin Rehabilitation Project – Award of Construction Contract and Authorize Additional Appropriation**
  - A. Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for construction services to complete the Batiquitos Pump Station Emergency Basin Rehabilitation Project in an amount not to exceed \$1,279,239. (Pages 2 – 8)
  - B. Authorize an additional appropriation of \$165K for project construction.
5. **Batiquitos Pump Station HVAC Equipment Replacement – Award of Construction Contract**

Authorize the General Manager to execute an Agreement with Pacific Rim Mechanical for construction services to complete the Batiquitos Pump Station HVAC Equipment Replacement in an amount not to exceed \$94,665. (Pages 9 – 15)
6. **Information Items**

San Marcos Creek Crossing Diversion Project. (Verbal)
7. **Directors' Comments**
8. **General Manager's Comments**
9. **Adjournment**

## MEMORANDUM

Ref: 25-8908

**DATE:** September 26, 2024  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** **Construction Contract Award for the Batiquitos Pump Station Emergency Basin Rehabilitation Project**

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### RECOMMENDATION:

Staff requests that the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute an Agreement with SCW Contracting Corporation for the construction of the Batiquitos Pump Station Emergency Basin Rehabilitation Project in an amount not to exceed \$1,279,239 as the lowest responsive and responsible bidder.
2. Authorize an additional appropriation of \$165K for project construction.
3. Discuss and take other action as appropriate.

### BACKGROUND:

**Tactical Goal:** **Infrastructure & Technology / Batiquitos Pump Station Emergency Basin Rehabilitation Project**

The Leucadia Wastewater District (District) maintains the Batiquitos Pump Station (Batiquitos PS) that is the District's largest and pumps 5 million gallons of wastewater daily. The Batiquitos PS, which is located next to the Batiquitos lagoon, has an emergency basin which is a critical piece of infrastructure that serves as temporary wastewater storage for excess flows during a pump station emergency or during high wet weather flow situations. The emergency basin is a concrete structure that was constructed in 1986 and has the capacity to hold 190k gallons of wastewater.

In October 2022, Water Works Engineers (Water Works) was issued a task order to conduct a condition assessment for the emergency basin as a result of visual deterioration of the concrete surfaces and existing lining. A recommended follow up visit in December 2022 helped quantify the condition of the concrete and coating in the structure. Overall, the condition assessment revealed the lining had mostly failed and the concrete was significantly degraded. As a result, Water Works recommended concrete restoration and a coating in the next two years before damage to the steel reinforcement occurs and escalates the scope and cost of repairs.

In April 2024, the Board authorized an agreement with Water Works for final design services for the project.

### DISCUSSION:

Water Works completed the project design in August 2024. The project was advertised for bids on August 21, 2024. Bids were due on September 17, 2024. One (1) bid was received as follows:

Construction Firm	Bid Price
SCW Contracting Company	\$1,279,239

SCW Contracting Company's (SCW) bid of \$1,279,239 is \$169k, or 15%, more than the engineer's opinion of probable cost of \$1,110,000.

Staff inquired why only (1) bid was received. Therefore, staff reached out to (3) construction firms, National Coating and Lining (National Coating), DN Tanks, and Pacific Hydrotech. National Coating, who was on the plan holders list and attended the pre-bid site walk, was unable to complete their bid because they did not receive responses from both prime and sub-contractors. DN Tanks stated they didn't submit a bid because their construction estimators were out of the office around the time the bids were due. Lastly, Pacific Hydrotech has current project commitments and therefore didn't submit a bid.

The bid was reviewed by Tim Lewis at Water Works. As a result of their evaluation, Water Works determined SCW to be responsive to the bid requirements and recommended that SCW be awarded the contract as the lowest responsive and responsible bidder. The Water Works bid review memorandum is attached for your review.

Staff does not want to risk delaying the project another year considering the location of the pump station, the daily wastewater flow the pump station receives, and the timing sensitivity of the work related to the bird nesting season.

Therefore, staff concurs with Water Work's recommendation and requests that the Board of Directors award the contract to SCW Contracting Company as the lowest responsive and responsible bidder in an amount not to exceed \$1,279,239.

**FISCAL IMPACT:**

The FY24 and FY25 Capital Budgets included a total of \$1.360M, of which \$81k was spent/allocated for the design work. Therefore, staff requests an additional appropriation to the FY25 Capital Budget of \$165K to cover the construction, remaining soft costs, and a 5% contingency.

ier:PJB

Attachment

# Leucadia Wastewater District Batiquitos Pump Station Emergency Basin Rehabilitation Project Bid Review Memorandum



Date: September 23, 2024  
Prepared by: Tim Lewis, PE (Design Engineer)

## Purpose

The purpose of this memorandum is to summarize Water Works Engineer's (Design Engineer) evaluation of the bid results and the responsiveness of the apparent low bidder to bidding and contract documents for the Leucadia Wastewater District (District) Batiquitos Pump Station Emergency Basin Rehabilitation Project.

## Bid Results

One (1) Bid was received and opened on September 17, 2024. The Bid is summarized below, along with the Engineer's Opinion of Probable Construction Cost (OPCC).

Apparent Low Bid: SCW Contracting Corporation	\$1,279,239.00
Engineer's Opinion of Probable Construction Cost (OPCC)	\$1,110,000.00
+ Bid Addendum Changes:	
<hr/>	
Low Bid vs. Engineer	\$169,239 or 15% Higher

## Review of Apparent Low Bidder

Water Works Engineer's reviewed the bidding documents submitted by the Low Apparent Bidder to determine if the Bidder is the lowest, responsive, and responsible bidder.

### Contractor's License (Responsive)

The Contractor holds the required Class A License which is current and active. The Contractor also holds Class C60 (Welding), and C51 (Steel, Structural) licenses. Worker's Compensation is Active. The Contractor is bonded. The Bidder is responsive.

#### Business Information

SCW CONTRACTING CORPORATION  
2525 NORTH OLD HIGHWAY 395  
FALLBROOK, CA 92023  
Business Phone Number: (760) 728-1303

**Entity** Corporation  
**Issue Date** 10/09/1991  
**Expire Date** 10/31/2025

#### License Status

This license is current and active.

All information below should be reviewed.

#### Classifications

- ▶ A - GENERAL ENGINEERING
- ▶ CE0 - WELDING
- ▶ CS1 - STEEL STRUCTURAL

#### Bonding Information

##### Contractor's Bond

This license filed a Contractor's Bond with TRAVELERS CASUALTY AND SURETY COMPANY.

**Bond Number:** 206657601

**Bond Amount:** \$25,000

**Effective Date:** 01/01/2023

Contractor's Bond History

##### Bond of Qualifying Individual

The qualifying individual JEFFREY DEAN SCRAPE certified that he/she owns 10 percent or more of the voting stock/membership interest of this company; therefore, the Bond of Qualifying Individual is not required.

**Effective Date:** 10/09/1991

#### Workers' Compensation

10/01/2024 - WC CERT WAITING TO BE PROCESSED

This license has workers compensation insurance with the HARTFORD CASUALTY INSURANCE COMPANY.

**Policy Number:** 53WEOH-9-H11

**Effective Date:** 10/01/2022

**Expire Date:** 10/01/2024

Workers' Compensation History

#### Miscellaneous Information

- ▶ 10/01/2024 - WC CERT WAITING TO BE PROCESSED

<https://www.cslb.ca.gov/onlineservices/checklicense/LicenseDetail.aspx?LicNum=630435>

#### Bid Bond (Responsive)

A bid bond in the amount of ten percent (10%) of the bid amount was submitted with Liberty Insurance Company as surety, as required. The Bidder is responsive.

### Signatures (Responsive)

SCW Construction Corporation Vice President Andrew Scrape signed the Closing Statement, Bidder's Bond, Non-Collusion Affidavit, and Local Preference Certification. Other company partners were listed. Liberty Mutual Insurance Company surety was signed by Mark D. Iatarola, Attorney-in-Fact, and Vice President Andrew Scrape. Both individuals were acknowledged and validated via a notary public. The Bidder is responsive.

### Addenda Acknowledgment (Responsive)

Addenda 1 and 2 are signed and acknowledged by Vice President Andrew Scrape. The Bidder is responsive.

### Registration with the Department of Industrial Relations (Responsive)

The prime and subcontractors are required to be registered with the DIR prior to bidding a public works project. The Bidder is responsive.

Contractor Legal name	Type of Work	Registration #	Registration Date	Expiration Date
PRIME: SCW Contracting Corporation	Prime	1000001579	07/01/2023	06/30/2025
SUB: MC Painting	Coating, and Concrete Rehabilitation	1000026859	07/01/2024	6/30/2025

<https://www.dir.ca.gov/public-works/Contractors.html>

### Experience Requirements (Responsive)

Water Works reviewed the Bidder's self-reported qualifications/experience responses as required by the bidding documents, takes no exception, and considers the Bidder to be responsive.

1. Prime and Subs willful violations in last 5 years: No.
2. Listed compensation experience modification factors: Listed.
3. Injury prevention program adoption: Yes.
4. Bidder debtor in bankruptcy case: No.
5. Bankruptcy in last 5 years: No.
6. Liquidated damages in the last 5 years: No.
7. Bidder disqualification in last 5 years: No.
8. Claim against Bidder in last 5 years: No.
9. Claim against Owner in last 5 years: No.
10. Surety payments in last 5 years: No.
11. DIR registration for prime and subs: Yes.
12. The bidder was required to complete a minimum of three (3) projects where the contractor restored the interior of a cast-in-place concrete structure with a storage capacity larger than 50,000 gallons that involved concrete partial depth repair and a new coating system: Yes

### Experience References (Responsive)

Water Works Engineers contacted all the qualification experience references on 09/20/2024 listed on the contract forms and takes no exception to any of the responses received and considers the Bidder responsive. It should be

noted that SCW Contracting is currently under contract with LWD to construct the Rancho Verde Pump Station Rehabilitation Project which is currently progressing per schedule and plan and LWD takes no exception with SCW's performance to date on that project.

<p><b>Leucadia Wastewater District</b></p> <p><u>Projects:</u></p> <ol style="list-style-type: none"><li>1. Village #5 Pump Station Replacement</li></ol> <p><u>Comments:</u></p> <ol style="list-style-type: none"><li>1. The District takes no exception to the performance of SCW and considers their work to be good and the Project to be successful.</li></ol>
<p><b>Emad Zaya (858-573-5033) – City of San Diego</b></p> <p><u>Projects:</u></p> <ol style="list-style-type: none"><li>1. Sewer Pump Station 23T Reliability Improvements</li></ol> <p><u>Comments from Reference:</u></p> <ol style="list-style-type: none"><li>1. They did the job well, completed on time, and were on top of any issues that came up during the project. Overall, recommend.</li></ol>
<p><b>Mathew Bates (951-674-3146) – EVMWD</b></p> <p><u>Projects:</u></p> <ol style="list-style-type: none"><li>1. Railroad Canyon WRF Yard Piping &amp; Aeration Basin</li></ol> <p><u>Comments from Reference:</u></p> <ol style="list-style-type: none"><li>1. Left a voice mail – no response.</li></ol>

#### **Approach to Work (Responsive)**

The approach to work section is adequate. Bidder is responsive.

#### **Safety and Injury Prevention Plan (Responsive)**

The Bidder indicated that it has adopted an injury prevention program. The Bidder is responsive.

#### **Project Manager Information (Responsive)**

The project manager section is adequate. Bidder is responsive.

### **Discussion of Bid versus Engineer Estimate and Lack of Other Bids**

Water Works reviewed the bid closely. Bid item amounts matched in words and figures and totaled correctly, and no irregularities were observed. The Bid was \$169,239 higher (15%) than the Engineer's OPCC + Bid Addendum changes. Only one bid was received. It is Water Works opinion that this can be primarily attributed to the following reasons.

- The current bidding environment is poor due to high volume and demand for construction projects in the region along with skilled laborer shortages. Consequently, fewer bids are received, and the low bid is typically less competitive.
- The Batiquitos Pump Station Emergency Basin Rehabilitation Project is relatively small when compared to typical public works projects and requires a large amount of labor that is typically performed by specialized subcontractors (such as concrete restoration and coatings). Consequently, there is reduced interest in the project by general contractors.

- The market environment is also considered poor due to high labor rates, recent inflationary effects, and material and equipment shortages and pricing volatility from post-pandemic supply shocks.

Water Works contacted two other potential bidders and both did not submit bids due to scheduling unavailability. In addition, a subcontractor who attended the pre-bid site walk told the District they did not identify a prime general contractor to submit a bid with.

In addition, Water Works examined the bid items for the bidder and did not identify anything of note. Water Works Engineers takes no exception to the bid cost breakdown. The Bidder did not appear to have any significant pricing deviation that may indicate the Bidder is front-loading or has manipulated the magnitude of a particular bid item in such a way that is not industry standard or indicates the Bidder did not understand the scope of work delineated in the bid item.

### **Final Opinion**

Water Works takes no exception to and considers SCW Construction Corporation to be a responsive and responsible bidder, as required by the Bidding and Contract Documents. The submitted Bid appears to be reasonable.



**MEMORANDUM**

**DATE:** September 26, 2024  
**TO:** Engineering Committee  
**FROM:** Paul J. Bushee, General Manager   
**SUBJECT:** Construction Contract Award for the Batiquitos Pump Station Heating, Venting, Air Conditioning (HVAC) Equipment Replacement

**RECOMMENDATION:**

Staff requests that the Engineering Committee recommend that the Board of Directors:

1. Authorize the General Manager to execute an Agreement with Pacific Rim Mechanical for Batiquitos Pump Station HVAC Equipment Replacement in an amount not to exceed \$94,665.00.
2. Discuss and take other action as appropriate.

**BACKGROUND:**

**Tactical Goal: Infrastructure & Technology / Batiquitos Pump Station AC Replacement**

The Leucadia Wastewater District (District) maintains the Batiquitos Pump Station (Batiquitos PS) that is the District’s largest and pumps 5 million gallons of wastewater daily. The Batiquitos PS has a Motor Control Center (MCC) that houses various electrical equipment necessary to operate the pump station. The HVAC equipment serves a vital function because it provides chilled air to the MCC in order to maintain a safe building temperature and offset the heat generated by the electrical equipment.

Pacific Rim Mechanical (Pac Rim) provides maintenance services to all District HVAC equipment, including the Batiquitos PS. In November 2023, District staff was informed by Pac Rim that the Batiquitos PS HVAC equipment required replacement in the near future since it was nearing its useful life. Therefore, in January 2024, the District requested a proposal from Pac Rim to use as a budget number in the Fiscal Year 2025 (FY25) Capital Acquisition Budget.

**DISCUSSION:**

The project was advertised for bids on July 3<sup>rd</sup>, 2024. Bids were due on August 6<sup>th</sup>, 2024. Two (2) bids were received as follows:

Construction Firm	Bid Price
Pacific Rim Mechancial	\$112,665
ACCO Engineered Systems	\$123,888

Pac Rim’s bid of \$112,665 is \$25k, or 29%, more than the FY25 Capital Acquisition Budget amount of \$87.5k.

Due to the high bid, staff reached out to Pac Rim. Staff was informed that since the original proposal was provided to the District in January 2024, there were material and labor cost increases in addition to \$18k in unexpected electrical upgrades.

As a result, staff evaluated whether the project could be modified or redesigned and rebid to reduce project costs. Staff determined that a redesign would not reduce project costs and still meet the project objectives.

Instead, staff requested a proposal from Southern Electric (Southern), an electrical contractor familiar with the District and the Batiquitos PS, for the required electrical upgrade work. Southern provided a proposal of \$9.1k, which is a savings of \$8.9k in electrical work compared to Pac Rim's bid. Staff decided the best approach is for the District to complete the electrical upgrade work using Southern and reduce Pac Rim's overall bid by \$18k, resulting in a revised bid of \$94,665. Overall, the total project cost is reduced from \$112,665 to \$103,765.

The winter is the most ideal time to replace the HVAC equipment because of the reduced demand for the HVAC system during the colder months. Since the new HVAC equipment has a lead time of 5-6 weeks, the equipment needs to be purchased now in order to meet an anticipated installation date of December 2024.

Therefore, staff requests that the Board of Directors award the contract to Pacific Rim Mechanical as the lowest responsive and responsible bidder in an amount not to exceed \$94,665.

**FISCAL IMPACT:**

The FY25 Capital Acquisition Budget included \$87.5k for the purchase and install of the HVAC equipment. Therefore, staff plans to transfer surplus funds from the FY24 Manhole Rehabilitation Project to cover the additional expenses.

ier:PJB

Attachment

Proposal #  
P70358  
Project Name  
P70358  
Replacement for Ductless HVAC Systems –  
rev4  
Project Type  
Project  
Proposal Date  
Aug 28, 2024

## Project Proposal

Presented To  
Ian Riffel  
Leucadia Wastewater District

Location  
Batiqitos Pump Station  
2017 N. Coast Hwy 101  
  
Encinitas, CA 92024

Bill To  
Leucadia Wastewater District  
1960 La Costa Avenue  
  
Carlsbad, CA 92009

Contact  
Beth Sorg  
bsorg@prmech.com

Area Service Manager  
Chad Chapman  
cchapman@prmech.com

Customer Service Representative  
Cassidy Kelly  
CKelly@prmech.com

Technician

24/7 Dispatch  
1-800-891-4822



## Scope of Services

Pacific Rim Mechanical is pleased to provide this proposal to replace the 5-ton ductless split systems with new ones. Please find our proposal below for 16 tons of conditioning.

### SCOPE:

- Includes prevailing wage rates.
- Work will be performed during regular PRM business hours. **Work will be performed on ONE HALF of the building at a time to keep the room conditioned at all times.**
- Owner to provide electrical subcontractor for electrical rework.
- Provide labor to recover refrigerant from the systems.
- Safe off units from existing condensate drain piping and refrigerant piping.
- Demo and dispose of indoor units and outdoor systems.
- Provide and install the following equipment:
  - **16-tons**
    - Two (2) LG 8-ton VRF Outdoor Condenser including 10,000-hour condenser coil coating.
    - Two (2) LG 2 ton Indoor VRG wall mount units to be installed one above the other in same locations.
    - Four (4) LG 3-ton Indoor VRF wall mount units to be installed one above the other in same locations.
    - Four (4) Y branch kits.
    - Six (6) remote controls.
    - Six (6) condensate pumps
- Set and anchor new outdoor condenser to existing equipment pad.
- Provide and install new Copper ACR refrigerant piping from outdoor unit(s) through wall to Y branch boxes, then to each of the fan coil locations.
- Provide labor to cover any remaining holes in block walls that will no longer be used. Provide inside and outside covers and foam in holes.
- Mount new fan coils to existing locations.
- Connect each unit to the refrigerant piping.
- Provide and install new condensate pumps and drain piping as required.
- Provide labor to perform pressure test and vacuum of refrigerant piping and charge with new R140a refrigerant.
- Perform startup along with factory representative.
- Clean up work area and check out with client.

## Pricing

The total cost for the above work including labor, material and taxes:

16-tons \$94,665.00



## Clarifications & Exclusions

1. This proposal is based on standard working hours; Monday to Friday, 8:00 am to 4:30pm.
2. This proposal is valid for 10 days from the date of the proposal.
3. Building Management Systems (BMS) and HVAC digital controls are excluded.
4. The repair, upgrade, replacement or installation of fire life safety systems is excluded.
5. Installation is based on accessibility in all work areas; relocation of furniture and equipment is excluded.
6. Plans, permits, fees, structural engineering and or modifications are excluded.
7. Demolition and replacement of drywall and or framing on walls and hard lid ceilings is excluded.
8. Removal and replacement of concealed spline type ceilings is excluded.
9. Removal, replacement or modifications to architectural structures and or designs is excluded.
10. Accessible parking to work area will be provided by owner without cost to contractor.
11. Providing or installing access doors that are necessary to access equipment are excluded.
12. Air and Water Balance is excluded.
13. Relocation of services such as plumbing, electrical, lighting and/or sprinkler piping is excluded.
14. Price does not include demo, concrete coring, saw cutting, underground conduits, trenching, backfilling, cutting, patching, painting of the ceilings, walls or roof, etc.
15. We do not warrant proper operation of existing isolation valves that may be used for the repair or replacement of a specific item.
16. The repair, upgrade, replacement or installation of electrical feeds, circuits or circuit breakers is not included.
17. Any and all roofing or waterproofing repairs that may be required are excluded.
18. Water treatment is not included in this proposal.
19. Schedules and lead times may be affected by material availability, equipment manufacturing lead times, and the present work load of Pacific Rim Mechanical.
20. Pricing for Design Build Projects are based on preliminary design. Pricing may change based on plan check, more in depth engineering, etc..
21. Recent supply chain constraints may negatively affect our ability to secure certain products or pricing. As soon as we are made aware of any difficulties or pricing changes, we will notify customer.

\_\_\_\_\_

**Customer**

\_\_\_\_\_ Pacific Rim Mechanical

**Contractor**

\_\_\_\_\_

**Authorized Signature**

\_\_\_\_\_ **Beth Sorg, Sr. Project Sales Engineer**

\_\_\_\_\_

**Name / Title**

\_\_\_\_\_ 8/28/2024

\_\_\_\_\_

**Date**

**Date**

\_\_\_\_\_

**Purchase Order #**



### **Repair Terms & Conditions**

1. Pacific Rim Mechanical will be permitted free and timely access to all areas and equipment requiring service, and will be permitted to start and to stop equipment as necessary to perform the contracted services. All of the work performed under this agreement will be performed during Pacific Rim Mechanical's normal working hours.
2. Pacific Rim Mechanical guarantees its service labor for 30 days. Additional warranties can be established for equipment covered by maintenance service contract.
3. Our customer agrees to pay all invoices within ten (10) days of receipt. If payments for service become thirty (30) days, or more, delinquent, Pacific Rim Mechanical may stop all work under this agreement without notice and / or cancel this contract for services. The entire contract amount shall then become payable upon demand. If Pacific Rim Mechanical must commence legal action to recover amounts payable under this contract, our customer will be liable for all court and attorney costs.
4. For projects over \$50,000 with duration of less than four months Pacific Rim Mechanical will invoice 40% of the contract value upon receipt of the signed contract or purchase order and will invoice 60% upon completion. For projects over \$50,000 and/or a duration of longer than four months Pacific Rim Mechanical will progress bill based on equipment and/or materials purchased and work performed. Customer will promptly pay invoices in full within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Pacific Rim Mechanical reserves the right to stop all work under this Agreement without notice and/or cancel this Agreement, and all amounts owed for work performed to date will become immediately due and payable.
5. Alterations or deviations from this agreement involving additional services, materials or labor will become an extra charge over and above the sum of this contract. Customer shall be responsible for all taxes applicable to additional services or materials.
6. Pacific Rim Mechanical cannot be liable for any loss, damage, or delay caused by availability of equipment, materials or machinery, shipping delays, labor actions, lockouts, civil authority, insurrections or riot, action of the elements, nature, or any other force beyond its control. Pacific Rim Mechanical will in no way be responsible for loss of use, loss of profit, increased operating or maintenance expenses, claims of customers' tenants or clients, or for any special, indirect, consequential damages.
7. Pacific Rim Mechanical's total liability for any and all injuries, claims, losses, expenses or damages arising out of or in any way related to this project or this agreement, from any cause or causes including, but not limited to, negligence, errors, omissions, strict liability, breach of contract or warranty shall not exceed the total amount of this contract or \$50,000, whichever is greater. Legal actions relating to this agreement must be commenced within a one (1) year period from the date the work was performed.
8. Pacific Rim Mechanical must be supplied with all pertinent Material Safety Data Sheets (MSDS) according to OSHA's hazard communication standard. Pacific Rim Mechanical requires notification from our customer about any areas in the subject facility which may present a hazard of any type to our company representatives.
9. Pacific Rim Mechanical's obligation under this agreement does not include identification, removal, or abatement of any asbestos products or other hazardous substances. If encountered, our sole obligation will be to notify our customer of its existence. Pacific Rim Mechanical will have the right to suspend its work until such products or materials and the resultant hazards are removed.
10. Customer shall, to the fullest extent permitted by law, indemnify and hold harmless Pacific Rim Mechanical and its employees from and against all claims, damages, losses, expenses, and attorney's fees arising out of or resulting from performance of work under this agreement, provided that such claim, damage or loss is caused in whole or in part by any active or passive act or omission by our customer, employees or agents of our customer, or anyone whose acts customer may be liable for, regardless whether the cause may partially involve Pacific Rim Mechanical or its employees.
11. This service agreement includes any refrigerant recovery procedures required to perform the maintenance services covered under this contract. Pacific Rim Mechanical will fully comply with the federal regulations mandated by section 608 of the 1992 Federal Clean Air Act.

**THANKS FOR THE OPPORTUNITY TO SERVE YOU!**



**Equipment Installation Terms & Conditions**

Ca. License No. 814462

1. Pacific Rim Mechanical warrants that the workmanship on new equipment installations shall be free from defects for one year from date of service. If any replacement part or item of equipment proves defective, Pacific Rim Mechanical will extend to Customer the benefits of any warranty received from the manufacturer. Removal and reinstallation of any equipment or materials repaired or replaced under a manufacturer's warranty but outside the time frame of Pacific Rim Mechanical's warranty, will be at Customer's expense and at the rates then in effect.
2. Customer shall permit Pacific Rim Mechanical free and timely access to areas and equipment, and allow Pacific Rim Mechanical to start and stop the equipment as necessary to perform required services. All planned work under this Agreement will be performed during Pacific Rim Mechanical normal working hours.
3. For projects over \$50,000 with duration of less than four months Pacific Rim Mechanical will invoice 40% of the contract value upon receipt of the signed contract or purchase order and will invoice 60% upon completion. For projects over \$50,000 and/or a duration of longer than four months Pacific Rim Mechanical will progress bill based on equipment and/or materials purchased and work performed. Customer will promptly pay invoices in full within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Pacific Rim Mechanical reserves the right to stop all work under this Agreement without notice and/or cancel this Agreement, and all amounts owed for work performed to date will become immediately due and payable.
4. Customer shall be responsible for all taxes applicable to the services and/or materials hereunder.
5. Any alteration to, or deviation from, this Agreement involving extra work, cost of material or labor will become an extra charge (fixed-price amount to be negotiated or on a time-and-material basis at Pacific Rim Mechanical rates then in effect) over the sum stated in this Agreement.
6. In the event Pacific Rim Mechanical must commence legal action in order to recover any amount payable under this Agreement, Customer shall pay Pacific Rim Mechanical all court costs and attorneys' fees incurred by Contractor.
7. Pacific Rim Mechanical's total liability for any and all injuries, claims, losses, expenses or damages arising out or in any way related to this project or this agreement, from any cause or causes including, but not limited to negligence, errors, omissions, strict liability, breach of contract or warranty shall not exceed the total amount of this contract or \$50,000, whichever is greater. Legal action relating to this agreement must be commenced within a one (1) year period from the date the work was performed.
8. Pacific Rim Mechanical shall not be liable for any delay, loss, damage or detention caused by unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Pacific Rim Mechanical employees, lockouts, civil or military authority, priority regulations, insurrection or riot, action of the elements, forces of nature, or by any cause beyond its control.
9. To the fullest extent permitted by law, Customer shall indemnify and hold harmless Pacific Rim Mechanical, its agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of work hereunder, provided that such claim, damage, loss or expense is caused in whole or in part by any active or passive act or omission of Customer, anyone directly or indirectly employed by Customer, or anyone for whose acts Customer may be liable, regardless of whether it is caused in part by the negligence of Pacific Rim.
10. Customer shall make available to Pacific Rim Mechanical personnel all pertinent Material Safety Data Sheets (MSDS) pursuant to OSHA'S Hazard Communication Standard Regulations.
11. Pacific Rim Mechanical's obligation under this proposal and any subsequent contract does not include the identification, abatement or removal of any asbestos products, mold, or other hazardous substances. In the event such products or substances are encountered, Pacific Rim Mechanical's sole obligation will be to notify the Owner of the existence of such products and materials. Pacific Rim Mechanical shall have the right thereafter to suspend its work until such products or materials and the resultant hazards are removed. The time for completion of the work shall be extended to the extent caused by the suspension and the contract price equitably adjusted.
13. Included in this agreement, if applicable is the cost to recover and recycle the refrigerant in the equipment listed in this proposal, in compliance with the Clean Air Act of 1990. Pacific Rim Mechanical will comply with regulations that prohibit intentional venting of Hydro chlorofluorocarbons (HCFC's) and Chlorofluorocarbons (CFC's) which took effect July 1, 1992.

**THANKS FOR THE OPPORTUNITY TO SERVE YOU!**