

Muir Beach Community Services District

19 Seacape Drive
Muir Beach, CA 94940



Contract Agreement for Water Management Services

Date	Services Performed By:	Services Performed For:
January 15, 2018	Stephanie Blank Thiemo Blank Helen Mirra Ernst Karel Acknowledgement of the future potential Partnership Entity name: Owls & Larks	Muir Beach Community Services District 19 Seacape Drive Muir Beach, CA 94940

This Contract Agreement is between Stephanie Blank, Thiemo Blank, Helen Mirra, and Ernst Karel (“Contractors”) and Muir Beach Community Services District (“Client”), effective December 1, 2017 (the “Agreement”). This Agreement is subject to the terms and conditions contained in the Agreement between the parties and is made a part thereof. Any term not otherwise defined herein shall have the meaning specified in the Agreement. Any verbal agreement is superseded by this Agreement, which may not be amended except in a signed written document.

This Contract Agreement (hereinafter called the “Agreement”), effective retroactively as of December 1, 2017, is entered into by and between Contractor and Client, and is subject to the terms and conditions specified below. The Exhibit(s) to this Agreement, if any, shall be deemed to be a part hereof. In the event of any inconsistencies between the terms of the body of this Agreement and the terms of the Exhibit(s) hereto, the terms of the body of this Agreement shall prevail.

Contract Period

The Services shall commence on December 1, 2017, and shall continue through December 31, 2018.

Contractor Management Team (Contractors)

Stephanie Blank and Thimo Blank – 1600 Shoreline Hwy 1, Muir Beach, CA 94965

Helen Mirra and Ernst Karel – 15 Overlook, Muir Beach, CA 94965

Contractors Responsibilities

The primary responsibility of Water Management Team (Contractors) is to oversee and maintain the continuous delivery of safe drinking water to Muir Beach Community Services District (MBCSD) water residents and customers. Water Management Team reports directly to the MBCSD District Manager and is accountable to both the District Manager and the MBCSD Board of Directors.

Scope of Services

Contractors shall provide the Services and Deliverable(s) as follows:

- 1) Ensure that there is 24/7 coverage for the water system in the Community, providing for a timely, daily, twenty-four-hour (24/7) backup for operational responsibilities, and ensuring that one Contractor Water System Operator will be reachable at all times;
- 2) Obtain and keep current required State Water Resources Control Board (SWRCB) Water System Operator Certifications in both Distribution (D1) and Treatment (T2) for one Contractor Water System Operator thru November 2018 and two Contractor Water System Operators starting December 2018;
- 3) Ensure that a water system emergency response is available at all times;
- 4) Maintain and track data on well production, tank levels, usage, consumption, and chemical treatment residuals and additions as needed – also see Deliverable Materials item 1) – and monitor all data and investigate anomalies, irregularities, and trends;
- 5) Perform or oversee all water quality testing and promptly report to Client on any water quality problem and other related system issues – also see Deliverable Materials item 2);
- 6) Report on the water system and suggest improvements to the District Manager, and when required to, the MBCSD Directors, and stay abreast of improvements/advances in water system equipment and technology;
- 7) Take bi-monthly water meter reading of all District water meters, plus master meter reading, and perform leak detection monitoring - including contacting homeowners and following-up to determine what was the cause of the leak and make sure the leaks are repaired.

- 8) Oversee reasonable maintenance, repairs and replacement/upgrade of the entire water system – wells, pumps, filters, valves, treatment and monitoring equipment, pipes, meters, etc.- and work with the Client’s District Manager to coordinate the outsourcing of work beyond the capabilities of the Contractors;
- 9) Exercise pumps, valves, and generator, flush hydrants;
- 10) Maintain Insurance:

Commercial General Liability:

The Contractor shall maintain a commercial general liability insurance policy in the amount of \$1,000,000 (\$2,000,000 aggregate). The Client shall be named as an additional insured on the commercial general liability policy.

Commercial Automobile Liability:

Where the services to be provided under this Contract involve or require the use of any type of vehicle by Contractors, Contractors shall provide comprehensive business or commercial automobile liability coverage, including non-owned and hired automobile liability, in the amount of \$1,000,000.00.

Workers’ Compensation:

The Contractors acknowledge that the State of California requires every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractors have employees, a copy of the certificate evidencing such insurance, a letter of self-insurance, or a copy of the Certificate of Consent to Self-Insure shall be provided to Client

Errors and Omissions, Professional Liability or Malpractice Insurance.

Contractor may be required to carry errors and omissions, professional liability or malpractice insurance.

All policies shall remain in force through the life of this Contract and shall be payable on a "per occurrence" basis unless Client specifically consents to a "claims made" basis. The insurer shall supply Client adequate proof of insurance and/or a certificate of insurance evidencing coverages and limits. Should any of the required insurance policies in this Contract be cancelled or non-renewed, it is the Contractors' duties to notify the Client immediately upon receipt of the notice of cancellation or non-renewal.

Failure to provide and maintain the insurance required by this Contract will constitute a material breach of this Agreement. In addition to any other available remedies, Client may suspend payment to the Contractor for any services provided during any time that insurance was not in effect and until such time as the Contractors provide adequate evidence that Contractors have obtained the required coverage.

Fee Schedule

This engagement will be a combination of both set ‘monthly fees’ for defined services’ and an ‘hourly rate’. The total value for the Services pursuant to this agreement and fees shall not change unless otherwise agreed to by both parties via the continuance, change, and termination procedures, as outlined within. A revised contract will be issued specifying any requested changes or amended values or terms.

Item Description	Monthly Fee	Hourly Rate	Scope Items #
Routine Daily	\$2200		1,2,3,4,5,6,10
Bi-monthly Meter Reading and Leak Detection follow-up	\$400		7
Maintenance, Repairs, Troubleshooting, and Emergency Response		\$45	8,9

Prior to completion of this Contract Period, Contractor and Client shall be deemed to have the option to renew this agreement for an additional period of 1-year unless notice is given 3 months prior to completion that either party intends not to renew. If no notice is given, then Contract Agreement will renew automatically for the next year.

Billing Address	Contractor Project Managers	System Operators
15 Overlook Muir Beach, CA 94965	Helen Mirra Stephanie Blank	Stephanie Blank Ernst Karel (add as of Nov 2018)

Deliverable Materials

1) Contractors are responsible as part of the routine daily operations for making sure adequate treatment supplies and routine maintenance parts are delivered to the pumphouse and water office and easily accessible for water system use at all times. 2) Contractors are responsible as part of routine daily operations for delivering all water test samples to the appropriate lab or agency, whether that be daily, monthly, or annually as required by the State Water Resources Control Board.

Client Responsibilities

Client is responsible for:

- Submitting monthly water quality reports to the State as required by the SWRCB Water Permit;
- Providing support and prompt response to Contractors concerns and questions;
- Helping with community outreach and communications;
- Contributing support for emergency response;
- Maintaining the technical infrastructure required to support distribution and Well-Log data;
- Provide financial support for maintenance materials and any infrastructure improvements as determined necessary in collaboration and agreement between the Client and the Contractors.
- Client is responsible for timely review and payment of monthly invoices submitted by Client.
- Client will pay, within reason, for the course work materials and testing fees upon approval for Ernst Karel to become a D1/ T2 Certified Water System Operator by the end of November 2018.

Invoice Procedures / Materials Expenses

Client will be invoiced monthly for contracted services on the 28th of the billing month for payment by the 10th day of the following month. Each invoice will reflect charges for the period being billed. Terms of payment for each invoice are due upon receipt by Client of a proper invoice. Contractors shall provide Client with sufficient details to support its invoices. Client will separate out the billing into three pay categories, including; 1) Routine operations (a set fee), 2) Water Meter reading (a set fee - when applicable), and 3) Amounts and descriptions of additional billed hours and the sum of those fees charged. Any split in the billing charges should be stated as to payment amounts.

Credit Card Usage Report and associated receipts for materials purchased by the Contractors on behalf of the MBCSD throughout the billing month will be submitted to the client by the 10th day of the following month - which includes a period from the 7th day of the billing month through the 6th day of the following month.

Performance Criteria

An efficient, highly automated, well-maintained water system is reliably delivering hygienic, good-tasting water at a reasonable cost to a well-informed Client and customer base.

Requirements

All required operations and reporting will be done promptly on time and by all due dates.

Indemnification

Contractors agree to indemnify, defend, and hold Client, its employees, officers, directors, and agents, harmless from any and all liabilities including, but not limited to, litigation costs and attorney's fees arising from any and all claims and losses to anyone who may be injured or damaged by reason of Contractors' negligence, reckless or willful misconduct in the performance of the contract.

Continuance, Change, or Termination Procedures

The following process will be followed if either Contractors or Client needs to change or terminate this agreement:

- The Contract Agreement will continue into the next contract agreement year under the existing agreement terms until such time that either party gives at least three months' prior written notice before the expiration date of the agreement requesting a change or termination.
- Any written changes between Contractors and Client shall be mutually agreed upon, memorialized in writing, and signed by all parties before implementation of new agreement terms or new contract agreement rates can be charged.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be effective as of the day, month and year first written above.

Stephanie Blank, Thimo Blank,
Helen Mirra, and Ernst Karel –
potential partnership entity:
Owls & Larks

Muir Beach Community
Services District

By: _____
Name: Stephanie Blank

By: _____
Name: Mary Halley, Co-District Manager

By: _____
Name: Thimo Blank

By: _____
Name: Helen Mirra

By: _____
Name: Ernst Karel