

MEMORANDUM**TO:** Board of Trustees**THROUGH:** Kate Nelson, Interim Public Works Director**FROM:** Jim Youngblood, Utilities Superintendent, Bree Waters, District Project Manager**SUBJECT:** Review, discuss and possibly approve the finding that the contract is exempt from the requirements of competitive solicitation **and** review, discuss and possibly approve a Service Agreement for the Water Resource Recovery Facility Centrifuge Repair/Reconditioning - 2023/2024 Capital Project Fund: Utilities; Division: Sewer: Project #2599SS1102 Water Resource Recovery Facility Improvements; Contractor: Centrisys CNP in the amount not to exceed \$171,880.**RELATED STRATEGIC
PLAN BUDGET
INITIATIVE(S):****LONG RANGE PRINCIPLE #5 – ASSETS AND
INFRASTRUCTURE**

The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

- Maintain, renew, expand and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain best practices for Board policies and procedures related to asset and infrastructure management.
- Maintain, procure and construct District assets to ensure safe and accessible operations for the public and the District's workforce.
- Maintain and execute a 5-Year and 20-Year capital improvement plan.
- Comply with regulatory requirements, industry standards, and District policies.

**RELATED DISTRICT
POLICIES, PRACTICES,**

Ordinance No. 2: Sewer; Capital Planning Multi-Year Capital Planning Policy 12.1.0; Capital

**RESOLUTIONS OR
ORDINANCES**

Planning Capital Project Budgeting Policy
13.1.0; Capital Planning Capital Expenditures
Practice 13.2.0; Purchasing Policy for Goods
and Services, Policy 20.1.0 (3.1)

DATE: December 13, 2023

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Make the following finding: The District's repair/reconditioning to the existing centrifuges is exempt from competitive solicitation for the following reasons: NRS 332.115.1.(c) and the Board's Purchasing Policy 20.1.0, Section 3.1 Subsection A.2.
2. Approve the award of a Service Agreement for the Water Resource Recovery Facility Centrifuge Repair/Reconditioning - 2023/2024 Capital Project Fund: Utilites; Division: Sewer: Project #2599SS1102 Water Resource Recovery Facility Improvements; Contractor: Centrisys CNP in the amount not to exceed \$171,880.
3. Authorize the Interim General Manager to execute the contract in substantially the form presented.

II. BACKGROUND

The centrifuges are critical components of the District's wastewater treatment process. The centrifuges are located in the solids handling building at the Water Resource Recovery Facility (WRRF) and are approximately 10-feet long and 4-feet in diameter. These units remove excess water from the waste activated sludge in order for the remaining bio-solids to be hauled out of the basin to Bently Ranch in Minden, Nevada for recycling. The repair/reconditioning of the centrifuges at the WRRF is included and approved within the Districts FY 2023-2024 Capital Improvement Plan within the Utility Division 200 Fund.

There are two centrifuges that operate in unison during peak flows. During non-peak flows, only one is in operation. The timing of the repair/reconditioning is crucial and is planned so that one centrifuge is removed after January 1, repaired/reconditioned and replaced prior to President's Weekend on February 16, 2024. Once the first has been replaced and is in running, the second will be removed for repair/reconditioning prior to the peak flows of summer.

The proposed repair/reconditioning of the centrifuges is an every five-year reoccurring maintenance item for the two centrifuges with the last repair/reconditioning taking place in March 2019. There are two estimates for the repair/reconditioning of the centrifuges, one being minor repair/reconditioning

and the second being major repair/reconditioning. The breakdowns for the two estimates are shown in Attachment #1, Services Agreement. Historically, the repair/reconditioning of the centrifuges have needed, at times, either minor or major repairs/reconditioning, which is unknown until they have been taken offsite and disassembled. Therefore, the Services Agreement is an amount not to exceed, assuming the worst case scenario, and major repairs are needed on both centrifuges.

III. BID RESULTS

This service agreement is exempt from competitive solicitation requirements because the proposed service agreement is in compliance with the District's Purchasing Policy for Goods and Services, Policy 20.1.0 Section 3.1 Subsection A.2 and NRS 332.115.1.(c). The project is a service agreement with Centrisys CNP, and Staff did not seek competitive bids for the proposed repairs/reconditioning. The purchase Districts Purchasing Policy for Goods and Services, Policy 20.1.0 Section 3.1 Subsection A: Contracts not adapted to award by competitive solicitation including: 2) Repair and maintenance of equipment that may be more efficiently serviced by a certain person. Centrisys was the original manufacturer of the centrifuges and has serviced them for over 25 years. It is more efficient and cost-effective to have this company continue to service the units. The purchase also meets: NRS 332.115.1.(c). Contracts which by their nature are not adapted to award by a competitive solicitation, including contracts for: (c) Additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person. This purchase meets the NRS for the same reasons it meets the Board's policy.

IV. FINANCIAL IMPACT AND BUDGET

The District's Capital Improvement Program Budget for the (200 Utility Fund) in FY 2023/2024 includes funding of \$175,000.00 plus \$145,586.00 in carry forward funding for utility projects, which includes the reconditioning of the two centrifuge units.

The table below identifies the (200 Utility Fund) future projects related to the WRRF.

Project	Budget Year	Amount
Air gap on potable water system, concrete basin repairs, equipment repairs	2024/2025	\$475,000
Concrete basin repairs, equipment repairs	2025/2026	\$400,000
Concrete basin repairs, equipment repairs	2026/2027	\$175,000
Equipment repairs	2027/2028	\$ 175,000

V. ALTERNATIVES

The District Board of Trustees may defer or delay the repair/reconditioning of the centrifuges.

VI. COMMENTS

In conclusion,

1. This purchase is exempt from competitive solicitation requirements because the proposed services agreement is in compliance with the Districts Purchasing Policy for Goods and Services, Policy 20.1.0 Section 3.1 Subsection A.2 and NRS 332.115.1.(c).
2. The centrifuges are critical components of our wastewater treatment process. These units remove excess water for the waste activated sludge in order for the remaining bio-solids to be hauled out of the basin to Bently Ranch in Minden, Nevada for recycling.
3. The attached repair estimate includes two estimates: a minor repair/reconditioning and a major repair/reconditioning cost. Based on past history, the cost is expected to land somewhere in the middle of the two repair/reconditioning estimates.
4. The Service Agreement between the District and Centrisys CNP has been approved by the District's Legal Counsel and is included in Attachment #1.

VII. BUSINESS IMPACT/BENEFIT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

The benefit to the District in approving the staff's recommendation of repairing/reconditioning the centrifuges increases the reliability of the wastewater treatment process and maintaining equipment without shutdowns is a critical part of the process.

VIII. ATTACHMENTS

1. Centrisys Service Agreement for WRRF

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

The decision needed from the Board of Trustees shall be that of approving the staff recommendation as presented.

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
SERVICE AGREEMENT**

1. PARTIES AND DATE.

This Agreement is made and entered into this 13 day of December 2023, by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”) and Centrisys Corporation, a foreign corporation with its principal place of business at 9586 58th Place, Kenosha, Wisconsin 53144 (“Contractor”). The District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

2. RECITALS.

2.1 District. District is a general improvement district organized under the laws of the State of Nevada, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain equipment removal, repair and re-installation services required by the District on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in providing removal, repair and re-installation services for wastewater treatment equipment to public clients, is licensed in the State of Nevada, and is familiar with the plans of District.

2.3 Project. District desires to engage Contractor to render materials and services for the following project:

Mobilizing personnel and necessary equipment to the job site (IVGID’s wastewater recovery reclamation facility at 1250 Sweetwater Road in Incline Village, Nevada), removing both of the facility’s centrifuge rotating assemblies and all associated parts and equipment (including the backdrive), conducting necessary repairs, and reinstalling, starting up, and verifying proper operation of the equipment (“Project”).

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to the District, all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the services necessary for the Project, described in Exhibit A, attached hereto and made a part hereof by this reference (“Services”). All Services shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. The District shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit B.

3.1.2 Term. The term of this Agreement shall be from December 13, 2023 to June 30, 2024, unless earlier terminated as provided herein. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement and such directions and amendments from District as herein provided. The District retains Contractor on an independent contractor basis and not as an employee. No employee or agent of Contractor shall become an employee of District. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of the District and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the District to proceed ("Notice to Proceed"). The Notice to Proceed shall set forth the date of commencement of work.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the District's approval.

3.2.4 Substitution of Key Personnel. Contractor has represented to the District that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence subject to the District's written approval. In the event that the District and Contractor cannot agree as to the substitution of key personnel, the District shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the District, or who are determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Contractor at the request of the District. The key personnel for performance of this Agreement are as follows: Ryan Dowdell.

3.2.5 District's Representative. The District hereby designates Jim Youngblood, or his designee, to act as its representative for the performance of this Agreement ("District's Representative"). The District's Representative shall have the power to act on behalf of the District for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the District's Representative or his or her designee.

3.2.6 Contractor's Representative. Contractor hereby designates Ryan Dowdell, or his or her designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Contractor agrees to work closely with the District staff in the performance of Services and shall be available to the District's staff, contractors and other staff at all reasonable times.

3.2.8 Standard of Care: Performance of Employees. Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of Nevada. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a Washoe County Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors who is determined by the District to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the District, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, and shall give all notices required by law. If required, Contractor shall assist District, as requested, in obtaining and maintaining all permits required of Contractor by federal, state and local regulatory agencies. Contractor shall be liable for all violations of local, state and federal laws, rules and regulations in connection with the Project and the Services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the District, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold the District, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Insurance.

3.2.10.1 Time for Compliance. Contractor shall not commence the Services under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required under this Section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this Section.

3.2.10.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance meeting the requirements set forth herein. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 combined single limit (each accident) for bodily injury and property damage; and (3) *Industrial Insurance*: Workers' Compensation limits as required by the Labor Code of the State of Nevada. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

Requirements of specific coverage or limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement. Defense costs shall be payable in addition to the limits.

3.2.10.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the District to add the following provisions to the insurance policies:

(A) Commercial General Liability. The commercial general liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its sub-contractors.

(B) Automobile Liability. The automobile liability policy shall be endorsed to provide the following: (1) the District, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the District, its directors, officials, officers, employees, agents and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way; and (3) the insurance coverage shall contain or be endorsed to provide waiver of subrogation in favor of the District, its directors, officials, officers, employees, agents and volunteers or shall specifically allow Contractor to waive its right of recovery prior to a loss. Contractor hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its sub-contractors.

(C) Industrial (Workers' Compensation and Employers Liability) Insurance. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents and volunteers.

3.2.10.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the District. Contractor shall guarantee that, at the option of the District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.10.6 Acceptability of Insurers. Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A-VII. The District in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

3.2.10.7 Verification of Coverage. Contractor shall furnish the District with original certificates of insurance and endorsements effecting coverage required by

this Agreement on forms satisfactory to the District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.10.8 Subcontractors. Contractor shall not allow any subcontractors or subcontractors to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this Section. Policies of commercial general liability insurance provided by such subcontractors or subcontractors shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Contractor, District may approve different scopes or minimum limits of insurance for particular subcontractors or subcontractors.

3.2.10.9 Compliance With Coverage Requirements. If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Contractor or District will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, District may terminate this Agreement for cause.

3.2.11 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement in accordance with the Schedule of Charges set forth in Exhibit B, attached hereto and incorporated herein by reference. The total compensation to be provided under this Agreement shall not exceed One Hundred and Seventy One Thousand, Eight Hundred and Eighty Dollars (\$171,880.00) without written approval of District's Board. Extra Work may be authorized, as described below; and if authorized, said Extra Work will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to District a monthly itemized invoice which indicates work completed and hours of Services rendered by Contractor. The invoice shall describe the amount of Services and supplies provided since the initial commencement date of Services under this Agreement, and since the start of the subsequent billing periods, through the date of the invoice. Invoices shall be sent to Bree Waters, baw@ivgid.org. Contractor shall include a Project Task Tracking Sheet with each invoice submitted. District shall, within forty-five (45) days of receiving such invoice and Project Task Tracking Sheet, review the invoice and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized under Exhibit B, or otherwise in writing by the District.

3.3.4 Extra Work. At any time during the term of this Agreement, the District may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by the District to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from the District's Representative. Where Extra Work is deemed merited by the District, an amendment to the Agreement shall be prepared by the District and executed by both Parties before performance of such Extra Work, or the District will not be required to pay for the changes in the scope of work. Such amendment shall include the change in fee and/or time schedule associated with the Extra Work. Amendments for Extra Work shall not render ineffective or invalidate unaffected portions of this Agreement.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain accurate and complete books, documents, accounting records and other records pertaining to the Services for six (6) years (or longer as required by applicable law) from the date of final payment under this Agreement. Contractor shall make such records available to the District for inspection, audit, examination, reproduction, and copying at Contractor's offices at all reasonable times. However, if requested, Contractor shall furnish copies of said records at its expense to the District, within seven (7) business days of the request.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. The District may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to the District, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause. Contractor shall not be entitled to payment for unperformed Services, and shall not be entitled to damages or compensation for termination of this Agreement by District except for the amounts authorized herein.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, the District may require Contractor to provide all finished or unfinished Documents and Data (defined below) and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such documents and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, the District may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

District

Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, NV 89451
Attn: Jim Youngblood

Contractor

Centrisys CNP
825 Performance Drive
Stockton, CA 95206
Attn: Ryan Dowdell

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Ownership of Materials and Confidentiality.

3.5.3.1 Documents & Data. All source code, reports, programs, manuals, disks, tapes, and any other material prepared by or worked upon by Contractor for the Services shall be the exclusive property of the District, and the District shall have the right to obtain from Contractor and to hold in District's name copyrights, trademark registrations, patents, or whatever protection Contractor may appropriate to the subject matter. Contractor shall provide District with all assistance reasonably required to perfect the rights in this subsection.

3.5.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of the District, be used by Contractor for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Contractor which is otherwise known to Contractor or is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use the District's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of the District.

3.5.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.5 Attorney's Fees. If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement,

the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.6 Indemnification. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or relating to any negligence or willful misconduct of Contractor, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the performance of the Services, the Project, or this Agreement, including without limitation the payment of all consequential damages, expert witness fees, and attorney's fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against District, its directors, officials, officers, employees, agents, or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse District and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided, including correction of errors and omissions. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its directors, officials officers, employees, agents or volunteers.

3.5.7 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both Parties.

3.5.8 Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.

3.5.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.10 District's Right to Employ Other Contractors. The District reserves right to employ other contractors in connection with this Project.

3.5.11 Successors and Assigns. This Agreement shall be binding on and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each Party.

3.5.12 Assignment or Transfer. Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the District. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.13 Subcontracting. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of

District. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

3.5.14 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to the District include its officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.5.15 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.5.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.18 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.22 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.23 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.5.24 Limitation of Liability. The District does not and will not waive and expressly reserves all available defenses and limitations contained in Chapter 41 of the Nevada Revised Statutes. Contract liability of both parties shall not be subject to punitive damages.

3.5.25 Non-Appropriations. The District may terminate this Agreement, effective immediately upon receipt of written notice on any date specified if for any reason the District's funding source is not appropriated or is withdrawn, limited, or impaired.

3.5.26 Compliance with Laws. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services. Contractor shall not discriminate against any person

on the grounds of race, color, creed, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin or any other status protected under any applicable law. Contractor is not currently engaged in, and during the duration of the Agreement shall not engage in, a Boycott of Israel. The term "Boycott of Israel" has the meaning ascribed to that term in NRS 332.065. Contractor shall be responsible for all fines, penalties, and repayment of any State of Nevada or federal funds (including those that the District pays, becomes liable to pay, or becomes liable to repay) that may arise as a direct result of the Contractor's non-compliance with this subsection.

3.5.27 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.28 Whistleblower Provisions. This Agreement is not intended to and will not preclude Contractor's employees from exercising available rights under the District's Whistleblower Policy and associated procedures for reporting suspected misconduct, as that term is defined in the Whistleblower Policy. All reports of suspected misconduct will be handled by the District in accordance with the Whistleblower Policy.

[Signatures on Following Page]

**SIGNATURE PAGE
TO
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
SERVICES AGREEMENT**

**INCLINE VILLAGE GENERAL
IMPROVEMENT DISTRICT**

CENTRISYS CORPORATION

Approved By:



Signature

Kate Nelson, Interim Director of Public Works

Ryan Dowdell

Name

Date

Office Manager

Title

12/7/23

Date

Reviewed as to Form:

Joshua Nelson,
District General Counsel

Date

SERVICES AGREEMENT

EXHIBIT A

SCOPE OF SERVICES

Contractor will remove and furnish either minor or major repairs to both of the District's centrifuge and backdrive systems and then reinstall the centrifuges at the IVGID Wastewater Recovery Reclamation Facility, 1250 Sweetwater Road, Incline Village. The Contractor will transport the centrifuges to and from the Contractor's facility in Stockton, California to conduct the needed level of repairs.

Contractor will:

- Mobilize personnel as well as any necessary equipment to the job site
- Remove the centrifuge rotating assembly and associated equipment and, if necessary, secure it for shipment and ship it off-site to Contractor's facility.
- Reinstall the rotating assembly, start it up, and verify that the unit is operating properly.

Repairs to be performed by the Contractor may include anything up to or inclusive of the following identified levels of repair, for one or both of the centrifuge and backdrive systems covered by this Agreement:

CENTRIFUGE REPAIR – MINOR

1. Dismantle, clean and inspect
2. Provide report with digital pictures
3. Replace bearings and seals
4. Hi-speed balance bowl
5. Hi-speed balance scroll
6. Reassemble

BACKDRIVE REPAIR – MINOR

1. Dismantle, clean and inspect
2. Provide report with digital pictures
3. Replace bearings and seals
4. Reassemble
5. Test

CENTRIFUGE REPAIR – MAJOR

1. Dismantle, clean and inspect
2. Provide report with digital pictures
3. Replace bearings and seals
4. Replace worn/missing tiles (up to 40 tiles)
5. Replace broken nozzles
6. Repair flights

Exhibit A

7. Repair feedchamber wear
8. Hi-speed balance bowl
9. Hi-speed balance scroll
10. Reassemble

BACKDRIVE REPAIR – MAJOR

1. Dismantle, clean and inspect
2. Provide report with digital pictures
3. Replace bearings and seals
4. Replace transfer seal
5. Replace cam
6. Replace rotor
7. Replace distributor
8. Reassemble
9. Test

SERVICES AGREEMENT

EXHIBIT B

SCHEDULE OF CHARGES

Minor Centrifuge Repair = \$26,800.00

Minor Backdrive Repair = \$7,700.00

Major Centrifuge Repair = \$54,000.00

Major Backdrive Repair = \$22,700.00

Site Service* – Removal and Installation (for each centrifuge) = \$9,240.00

*The Site Service charge will remain the same regardless of level of repair ultimately necessary; final price of the contract will depend upon the level of repair deemed necessary by Contractor, but in no event will exceed the amount of One Hundred and Seventy One Thousand, Eight Hundred and Eighty Dollars (\$171,880.00) without written approval of IVGID's Board of Trustees.