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UTILITY SERVICE CONTRACT

DEPARTMENT OF THE AIR FORCE
Purchase Request FQ4610 7045 0002
NEGOTIATED SERVICE CONTRACT CONTRACT NUMBER F04684 78 D0008

PREMISES TO BE SERVED Vandenberg Air Force Base, California
CITY Lompoc
COUNTY Santa Barbara
STATE California 93437

CONTRACTOR City of Lompoc
CONTRACTOR'S ADDRESS (Include Zip Code) 119 West Walnut Avenue Lompoc, CA 93438

PREMISES ARE GOVERNMENT OWNED GOVERNMENT LEASED
SYMBOL NUMBER OF LEASE N/A
NAME OF LESSOR N/A

ESTIMATED ANNUAL COST HEREUNDER \$ 223,700
BILLS WILL BE RENDERED TO 4392 AEROSG/DEEE (Base Civil Engineer)
PAYMENTS WILL BE MADE BY Accounting & Finance Officer

CONNECTION CHARGE (Estimated) \$ 55,000.00
AT Vandenberg AFB, CA 93437
AT Vandenberg AFB, CA 93437

TERMINATION LIABILITY \$ NONE
APPROPRIATION CHARGEABLE (All orders for delivery of services hereunder will contain a citation of the appropriation chargeable.)
Connection Charge 57X3300 247 6717 P321 7-367 S594100 \$55,000.00

This contract is negotiated pursuant to 10 U.S.C. 2304(a) (0).

THIS CONTRACT, entered into as of 78JUL01, by and between the UNITED STATES OF AMERICA, hereinafter called the Government, represented by the Contracting Officer executing this contract, and City of Lompoc, a municipal corporation, organized and existing under the laws of the State of California, whose address is 119 W. Walnut Ave, Lompoc, CA 93438, hereinafter called the Contractor.

SCOPE OF CONTRACT. Subject to the terms and conditions hereinafter set forth, the Contractor shall furnish, and the Government shall purchase and receive sewage service (hereinafter called service) requested by the Government from the Contractor at the premises to be served hereunder (hereinafter called the service location), in accordance with the General and Technical Provisions and the sewage service specifications attached hereto and made a part hereof.

TERM OF CONTRACT. This contract shall continue in effect until terminated at the option of the Government by the giving of written notice not less than ninety (90) days in advance of the effective date of termination. (SEE SP-03)

IN WITNESS WHEREOF, the parties hereto have executed this contract as of the day and year first above written. 78 Nov 21

UNITED STATES OF AMERICA

City of Lompoc, California
Name of Contractor

BY Joe H. Valencia
Signature

Joe H. Valencia
Typed Name

TITLE Mayor

BY [Signature] 78 Nov 02
Signature of Contracting Officer and Date

JOSEPH A ZIELINSKI
Typed Name of Contracting Officer

GENERAL PROVISIONS

1. DEFINITIONS (1962 FEB) As used throughout this contract, the following terms shall have the meanings set forth below:
a. The term "Head of the Agency" or "Secretary" means the Secretary, the Under Secretary, any Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the Head of the Agency or the Secretary.
b. The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.
c. Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.
2. PAYMENT a. The Contractor shall be paid by the designated disbursing officer for service furnished hereunder at the rates specified; provided, that the Government shall be liable for the minimum monthly charge, if any, specified in this

contract commencing with the billing period in which service is initially furnished and continuing until this contract is terminated, except that the minimum monthly charge shall be equitably prorated for the billing period in which commencement and termination of this contract shall become effective.
b. Payments hereunder shall be contingent upon the availability of appropriations therefor and shall not be made in advance of the service rendered.
c. All bills for service shall be paid without penalty or interest and the Government shall be entitled to any discounts customarily applicable to payment of bills by all customers of the Contractor.
d. Invoices for service rendered hereunder shall contain statements of the meter readings at the beginning of the billing period, meter constants, consumption during the billing period, and such other pertinent data as shall be required by the Government.
e. The Contractor hereby declares that rates are not in excess of the lowest rates now available to any existing or prospective customer under like conditions of service, or of the same classification, and agrees that during the life of this contract the Government shall continue to be billed at the lowest available rate for similar conditions of service.

APPROVED AS TO FORM
City Attorney

[Handwritten Signature]

3. RATES AND CHARGES. a. For all service furnished under this contract to the service location the Government shall pay the Contractor at the rates specified in the rate schedule attached hereto and made a part of this contract. b. For purposes of charges under this paragraph 3, any demands due to faulty operation of, or to excessive or fluctuating pressure on, the Contractor's system shall not be included as part of the Government's demand.

4. CONTRACTOR'S FACILITIES. a. The Contractor, at his expense, shall furnish, install, operate, and maintain all facilities required to furnish service hereunder to, and to measure the service at, the point of delivery specified in the Utility Service Specifications. Title to all of these facilities shall remain in the Contractor and he shall be responsible for all loss of or damage to those facilities except that arising out of the fault or negligence of the Government, its agents or its employees. All taxes and other charges in connection therewith, together with all liability arising out of the negligence of the Contractor in the construction, operation, or maintenance of these facilities, shall be assumed by the Contractor.

b. The Government hereby grants to the Contractor, free of any rental or similar charge, but subject to the limitations specified in this contract, a revocable permit to enter the service location for any proper purpose under this contract, including use of the site or sites agreed upon by the parties hereto for the installation, operation and maintenance of the facilities of the Contractor required to be located upon Government premises. Authorized representatives of the Contractor will be allowed access to the facilities of the Contractor at suitable times to perform the obligations of the Contractor with respect to these facilities. It is expressly understood that the Government may limit or restrict the right of access herein granted in any manner considered to be necessary for the national security.

c. The facilities shall be removed and Government premises restored to their original condition, ordinary wear and tear excepted, by the Contractor at his expense within a reasonable time after the Government shall revoke the permit herein granted and in any event within a reasonable time after termination of this contract, provided, that in the event of termination due to fault of the Contractor these facilities may be retained in place at the option of the Government until service comparable to that provided for hereunder is obtained elsewhere.

5. CONTINUITY OF SERVICE AND CONSUMPTION.

a. The Contractor shall use reasonable diligence to provide a regular and uninterrupted supply of service at the service location, but shall not be liable to the Government for damages, breach of contract, or otherwise, for failure, suspension, diminution, or other variations of service occasioned by any cause beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantines, strikes, strikes, or failure or breakdown of transmission or other facilities; provided, that when any failure, suspension, diminution or variation of service shall aggregate more than one (1) hour during any billing period hereunder, an equitable adjustment (including the minimum monthly charge) shall be made in the monthly rates specified in this contract in whole or in part shall exceed fifteen (15) days during any billing period hereunder.

6. CHANGE IN VOLUME OR CHARACTER OF SERVICE.

The Contractor shall have reasonable notice to the Contractor respecting any material changes anticipated in the volume or characteristics of the utility service required at each location.

7. CONFLICTS. To the extent of any inconsistency between the provisions of this contract, and the provisions of any schedule, rider, or exhibit incorporated in this contract by reference or otherwise, the provisions of this contract shall control.

8. DISPUTES (1958 JAN). a. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce

9. ASSIGNMENT OF CLAIMS (1962 FEB). a. Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 15), if this contract provides for payments aggregating \$1,000 or more, claims for monies due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Unless otherwise provided in this contract, payments to an assignee of any monies due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set-off. b. In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret", "Secret" or "Confidential", be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same. However, a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

10. OFFICIALS NOT TO BENEFIT (1949 JUL). No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

11. COVENANT AGAINST CONTINGENT FEES (1958 JAN)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul the contract without liability or in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

12. EXAMINATION OF RECORDS BY COMPTROLLER GENERAL (1975 JUN). a. This clause is applicable if the amount of this contract exceeds \$10,000 and was entered into by means of negotiation, including small business restricted advertising, but is not applicable if this contract was entered into by means of formal advertising.

b. The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final

EXHIBIT B - Attached hereto and made a part of this contract. The Contractor at the rates specified in the rate schedule this contract to the service location the Government shall pay

payment under this contract or such lesser time specified in either Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Part 1-20, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

c. The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract or such lesser time specified in either Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Part 1-20, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding \$2500 (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

d. The periods of access and examination described in b and c above for records which relate to (i) appeals under the "Disputes" clause of this contract, (ii) litigation or the settlement of claims arising out of the performance of this contract, or (iii) costs and expenses of this contract as to which exception has been taken by the Comptroller General or any of his duly authorized representatives, shall continue until such appeals, litigation, claims or exceptions have been disposed of.

13. GRATUITIES (1952 MAR). a. The Government may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract if it is found, after notice and hearing, by the Secretary or his duly authorized representatives, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract; provided, that the existence of the facts upon which the Secretary or his duly authorized representative makes such findings shall be in issue and may be reviewed in any competent court.

b. In the event this contract is terminated as provided in paragraph a hereof, the Government shall be entitled (1) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor, and (2) as penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary or his duly authorized representative) which shall be not less than three nor more than ten times the costs incurred by the Contractor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

14. BUY AMERICAN (1964 MAY). a. In acquiring end products, the Buy American Act (41 U.S.C. 10a-d) provides that the government give preference to domestic source end products. For the purpose of this clause:

(1) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(2) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(3) a "domestic source end product" means (a) an unmanufactured end product which has been mined or produced in the United States and (b) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States or Canada exceeds 50 percent of the cost of all its components. For the purposes of this a.(3)(b), components of foreign origin of the same type or kind as the products referred to in b.(2) or (3) of this clause shall be treated as components mined, produced, or manufactured in the United States.

b. The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(1) which are for use outside the United States,

(2) which the Government determines are not mined, produced, or manufactured in the United States in sufficient

and reasonable available commercial quantities and satisfactory quality;

(3) as to which the Secretary determines the domestic preference to be inconsistent with the public interest or

(4) as to which the Secretary determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954. So as to alleviate the impact of the Department of Defense expenditures on the United States balance of International payments, bids offering domestic source end products normally will be evaluated against bids offering other end products by adding a factor of fifty percent (50%) to the latter, exclusive of import duties. Details of the evaluation procedure are set forth in Section VI of the Armed Services Procurement Regulation.)

15. CONVICT LABOR (1975 OCT). In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11755, December 29, 1973.

~~16. EMPLOYMENT OF THE HANDICAPPED (1972 OCT).~~

(This clause applies to all nonexempt contracts and subcontracts which exceed \$2,500 as follows: (i) Part A applies to contracts and subcontracts which provide for performance in less than ninety(90) days, (ii) Parts A and B apply to contracts and subcontracts which provide for performance in ninety (90) days or more and the amount of the contract or subcontract is less than \$500,000, and (iii) Parts A, B, and C apply to contracts and subcontracts which provide for performance in ninety (90) days or more and the amount of the contract or subcontract is \$500,000 or more.)

PART A

(a) The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.

(b) The Contractor agrees that, if a handicapped individual files a complaint with the Contractor that he is not complying with the requirements of the Act, he will (i) investigate the complaint and take appropriate action consistent with the requirements of 20 CFR 741.29 and (ii) maintain on file for three years, the record regarding the complaint and the actions taken.

(c) The Contractor agrees that, if a handicapped individual files a complaint with the Department of Labor that he has not complied with the requirements of the Act, (i) he will cooperate with the Department in its investigation of the complaint, and (ii) he will provide all pertinent information regarding his employment practices with respect to the handicapped.

(d) The Contractor agrees to comply with the rules and regulations of the Secretary of Labor in 29 CFR Ch. VI, Part 741.

(e) In the event of the Contractor's noncompliance with the requirements of this clause, the contract may be terminated or suspended in whole or in part.

(f) This clause shall be included in all subcontracts over \$2,500.

PART B

(g) The Contractor agrees (i) to establish an affirmative action program, including appropriate procedures consistent with the guidelines and rules of the Secretary of Labor which will provide the affirmative action regarding the employment and advancement of the handicapped required by Public Law 93-112, (ii) to publish the program in his employee's or personnel handbook or otherwise distribute a copy to all personnel, (iii) to review his program on or before March 31 of each year and to make such changes as may be appropriate, and (iv) to designate one of his principal officials to be responsible for the establishment and operation of the program.

(h) The Contractor agrees to permit the examination, by appropriate contracting agency officials or the

Assistant Secretary of Labor for Employment Standards (hereinafter referred to as the "Assistant Secretary") or his designee, of pertinent books, documents, papers and records concerning his employment and advancement of the handicapped.

(i) The Contractor agrees to post in conspicuous places available to employees and applicants for employment, notices in a form to be prescribed by the Assistant Secretary, provided by the Contracting Officer, stating the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment and the rights and remedies available.

(j) The Contractor will notify each labor union or representative or workers with whom he has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

PART C

(k) The Contractor agrees to submit a copy of his affirmative action program to the Assistant Secretary within ninety (90) days after the award to him of a contract or subcontract.

(l) The Contractor agrees to submit a summary report to the Assistant Secretary by March 31 of each year during performance of the contract, and by March 31 of the year following completion of the contract, in the form prescribed by the Assistant Secretary, covering employment and complaint experience, accommodations made, and all steps taken to effectuate and carry out the commitments set forth in the affirmative action program.

17. CLEAN AIR AND WATER (1975 OCT) (Applicable only if the contract exceeds \$100,000, or the Contracting Officer has determined that orders under an indefinite quantity contract in any one year will exceed \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 U.S.C. 1857c-8 (c)(1)) or the Federal Water Pollution Control Act (33 U.S.C. 1319(c)) and is listed by EPA, or the contract is not otherwise exempt.)

(a) The Contractor agrees as follows:

(i) to comply with all the requirements of section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq., as amended by Public Law 91-604) and section 308 of the 92-500), respectively, relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 114 and section 308 of the Air Act and Water Act, respectively, and all regulations and guidelines issued thereunder before the award of this contract;

(ii) that no portion of the work required by this prime contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date this contract was awarded unless and until the EPA eliminates the name of such facility or facilities from such listing;

(iii) to use his best efforts to comply with clean air standards and clean water standards at the facilities in which the contract is being performed; and

(iv) to insert the substance of the provisions of this clause in any nonexempt subcontract, including this paragraph (iv).

(b) The terms used in this clause have the following meanings.

(1) The term "Air Act" means the Clean Air Act, as amended (42 U.S.C. 1857 et seq., as amended by Public Law 91-604).

(2) The term "Water Act" means Federal Water Pollution Control Act, as amended (33 U.S.C. 2151 et seq., as amended by Public Law 92-500).

(3) The term "clean air standards" means any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, or other requirements which are contained in, issued under, or otherwise adopted pursuant to the Air Act or Executive Order 11738, an applicable implementation plan as described in section 110(d) of the Clean Air Act (42 U.S.C. 1857c-5(d)), an approved implementation procedure or plan under section 111(c), or section 111(d), respectively, of the Air Act (42 U.S.C. 1857c-6(c) or (d)), or an approved implementation procedure under section 112(d) of the Air Act (42 U.S.C. 1857c-7(d)).

(4) The term "clean water standards" means any enforceable limitation, control, condition, prohibition, standard or other requirement which is promulgated pursuant to the Water Act or contained in a permit issued to a discharger by the Environmental Protection Agency or by a State under an approved program, as authorized by section 402 of the

Water Act (33 U.S.C. 1342), or by a local government to ensure compliance with pre-treatment regulations as required by section 307 of the Water Act (33 U.S.C. 1317).

(5) The term "compliance" means compliance with clean air or water standards. Compliance shall also mean compliance with a schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency or an air or water pollution control agency in accordance with the requirement of the Air Act or Water Act and regulations issued pursuant thereto.

(6) The term "facility" means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a contractor, subcontractor, to be utilized in the performance of a contract or subcontract. Where a location or site of operations contains or includes more than one building, plant, installation, or structure, the entire location or site shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are collocated in one geographical area.

(7) The term "nonexempt contract or subcontract" means a contract or subcontract of more than \$100,000 which is not otherwise exempted pursuant to the EPA regulations implementing the Air Act and Water Act (40 CFR 15.5), as further implemented in ASPR 1-2302.4 or in FPR 1-1.2302-4 (whichever is applicable) and the procedures of the Department awarding the contract.

18. MULTIPLE SERVICE LOCATIONS. a. By written order the Contracting Officer may at any time designate any service location within the service area of the Contractor at which service shall be furnished or discontinued thereunder, and the contract shall be modified in writing accordingly by adding to or deleting from the service specifications the name and location of the appropriate service location, by specifying a different rate, if applicable, the appropriate point of delivery, different service specifications if applicable, and any other appropriate terms and conditions.

b. The minimum monthly charge specified in this contract shall be prorated for the billing period in which commencement or discontinuance of service at any service location designated under the service specifications shall become effective.

19. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (1971 NOV). This contract, to the extent that it is of a character specified in the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), is subject to the following provisions and to all other applicable provisions and exceptions of such Act and the regulations of the Secretary of Labor thereunder.

a. Overtime requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any laborer or mechanic in any workweek in which he is employed on such work to work in excess of eight hours in any calendar day or in excess of forty hours in such workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of eight hours in any calendar day or in excess of forty hours in such workweek, whichever is the greater number of overtime hours.

b. Violation; liability for unpaid wages, liquidated damages. In the event of any violation of the provisions of paragraph a, the Contractor and any subcontractor responsible therefor shall be liable to any affected employee for his unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph a in the sum of \$10 for each calendar day on which such employee was required or permitted to be employed on such work in excess of eight hours or in excess of his standard workweek of forty hours without payment of the overtime wages required by paragraph a.

c. Withholding for unpaid wages and liquidated damages. The Contracting Officer may withhold from the Government Prime Contractor, from any moneys payable on account of work performed by the Contractor or subcontractor, such sums as may administratively be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions of paragraph b.

d. Subcontracts. The Contractor shall insert paragraphs a through d of this clause in all subcontracts, and shall require their inclusion in all subcontracts of any tier.

e. Records. The Contractor shall maintain payroll records containing the information specified in 29 CFR 516.2(a). Such records shall be preserved for three years from the completion of the contract.

~~20. EQUAL OPPORTUNITY (1972 AUG). During the performance of this contract, the Contractor agrees as follows:~~

a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

c. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency Contracting Officer, advising the labor union or workers representative of the contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f. In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of said rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The Contractor will include the provisions of paragraph a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance. Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

~~21. PUBLIC REGULATION AND CHANGE OF RATES.~~

(a) Public Regulation. Service furnished under this contract shall be subject to regulation in the manner and to the extent prescribed by law - by any Federal, state or local regulatory commission having jurisdiction. A copy of the Contractor's existing rates (including changes) shall be furnished promptly to the Contracting Officer upon request.

(b) Change of Rates.

(i) If, during the term of this contract, the public regulatory commission having jurisdiction reserves for filing a

~~authorized change in the rate schedule~~
related herein directly or by reference which result in higher or lower charges for service, the Contractor shall continue to furnish service as stipulated in this contract and the Government shall pay for service at the higher or lower charges from the effective date thereof, subject to judicial appeal.

(ii) In the event the Contractor, during the term of this contract, shall make effective any new or amended rate schedule, not incorporated herein directly or indirectly, applicable to any like condition of service furnished under this contract, which contains a lower rate or conditions more favorable to the Government, the Contractor shall forward to the Contracting Officer a copy of the new or amended rate schedule within fifteen (15) days after the effective date thereof, and upon receipt of written request from the Government shall substitute the new or amended rate schedule for the rate schedule then in effect under this contract, commencing with the billing period in which the written request is received.

(iii) In the event of a permanent change in the class of service furnished the Government under this contract, service shall, effective sixty (60) days after written request is made by either party or at such other time as may be agreed upon, be furnished at the lowest available rate schedule of the contractor which is applicable to the class of service furnished following the permanent change.

(iv) The Contractor shall give the Contracting Officer written notice of the filing of an application for rate changes concurrently with the filing of an application. The notice shall fully describe the proposed rate change.

(v) In the event that the regulatory body promulgates any regulation not concerning rates which materially affects this contract, the Contractor shall immediately notify the Contracting Officer.

22. APPROVAL OF CONTRACT (1949 JUL). (If this contract exceeds \$ 100,000, the following clause shall be applicable.) This contract shall be subject to the written approval of the Secretary of the Air Force or his duly authorized representative and shall not be binding until so approved.

23. ALTERATIONS IN CONTRACT (1949 JUL). The following alterations have been made a part of this contract: See continuation sheets, pages 6 through 14.

TECHNICAL PROVISIONS

~~1. MEASUREMENT OF SERVICE.~~ a. All service furnished by the Contractor shall be measured by metering equipment of standard manufacture, furnished, installed, maintained, calibrated, and read by the Contractor at his expense. When more than a single meter is installed at the service location, the readings thereof shall be billed conjunctively. In the event that any meter fails to register or registers incorrectly, the quantity of service delivered through it during that period shall be determined and an equitable adjustment based thereon shall be made in the Government's bills (for this purpose any meter which registers not more than (2) percent slow or (3) shall be deemed correct). Failure to agree on any adjustment shall be a dispute concerning a question of fact within the meaning of the "Disputes" clause of this contract.

b. The Contractor shall read all meters at periodic intervals of approximately thirty (30) days. All billings based on meter readings of less than twenty seven (27) days or more than thirty two (32) days shall be prorated accordingly.

2. METER TEST. The Contractor, at his expense, shall periodically inspect and test the meters installed by him in accordance with his regulated practice or in the absence thereof, at intervals of no longer than one (1) year. At the written request of the Contracting Officer, the Contractor, in the presence of the Government representatives, shall make additional tests of any or all meters. The cost of such additional tests shall be borne by the Government if the percentage of error is found to be not more than (2) percent slow or fast. No meter shall be placed in service which on test registers in excess of one hundred (100) percent under normal operating conditions.

(SEE SP-15)

23. ALTERATIONS IN CONTRACT (1949 JUL) (Continued)

a. General Provision No. 16 is deleted in its entirety and the following substituted therefor:

16. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (May 1976)

(a) The contractor will not discriminate against any employee of applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon either physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(c) In the event of the contractor's noncompliance with the requirements of this clause, action for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance.

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23. ALTERATIONS IN CONTRACT (1949 JUL) (Continued)

b. General Provision No. 20 is deleted in its entirety and the following substituted therefor:

20. EQUAL OPPORTUNITY (1976 JUL)

During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Equal Opportunity clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding a notice to be provided by the agency Contracting Officer, advising the labor union or workers' representative of the contractor's commitments under this Equal Opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(6) In the event of the Contractor's noncompliance with the Equal Opportunity clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: *Provided*, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

23. ALTERATIONS IN CONTRACT (1949 JUL) (Continued)

c. General Provision No. 21 is deleted in its entirety and the following substituted therefor:

21. CHANGE OF RATES

At the request of either party to this contract with reasonable cause, the rates set forth herein shall be renegotiated and the new rates shall become effective as mutually agreed -- provided that any rates so negotiated shall not be in excess of rates to any other customer of the Contractor under similar conditions of service.

No increase shall be requested in the contract rate unless the Contractor has given notice of placing into effect a general rate increase to all of his contract customers under similar conditions of service. If the Contractor has placed into effect a general rate decrease, a corresponding decrease in the contract rate shall be made. To the contrary notwithstanding Special Provision SP-03b(2), if Government does not agree to a rate increase when Contractor has placed into effect a general rate increase to all of his contract customers then Contractor reserves the right to terminate this contract on one year's written notice.

Periodic rate changes are to be anticipated to cover increased or decreased M & O costs over the life of the contract. M & O costs will be reviewed at least annually and any required rate adjustment will be negotiated. Any rate change will be effective as of the date of notice to the Government, but such revised rate may be justified by past M & O cost experience and will recognize past losses or gains.

d. Any appeal hearing under General Provision No 8 shall be heard in Lompoc, California, at Vandenberg Air Force Base or any other mutually agreeable location.

e. The General Provisions herein, with the exception of General Provision No. 24, "Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (1976 JUL) refer only to the subject matter of this contract; i.e., the construction of facilities for the delivery, receipt and measurement of sewage from Vandenberg Air Force Base to and in the Contractor's Regional Wastewater Reclamation Plant and to the operations and maintenance of said plant.

f. General Provision No 18, "Multiple Service Locations", is deleted in its entirety.

24. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (1976 JUL)

(This clause is applicable pursuant to 41 C.F.R. Part 60-250, if this contract is for \$10,000 or more.)

(a) The contractor will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam era in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified disabled veterans and veterans of the Vietnam era without discrimination based upon their disability or veterans status in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees that all suitable employment openings of the contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the contractor other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be listed at an appropriate local office of the State Employment Service System wherein the opening occurs. The contractor further agrees to provide such reports to such local office regarding employment openings and hires as may be required. State and local government agencies holding federal contracts of \$10,000 or more shall list all their suitable openings with the appropriate office of the State Employment Service, but are not required to provide those reports set forth in paragraphs (d) and (e).

(c) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment source or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the contractor from any requirements in Executive Orders or regulations regarding nondiscrimination in employment.

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24. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (Continued)

(d) The reports required by paragraph (b) of this clause shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the contractor has more than one hiring location in a state, with the central office of that State Employment Service. Such reports shall indicate for each hiring location (1) the number of individuals hired during the reporting period, (2) the number of nondisabled veterans of the Vietnam era hired, (3) the number of disabled veterans of the Vietnam era hired, and (4) the total number of disabled veterans hired. The reports should include covered veterans hired for on-the-job training under 38 USC 1787. The contractor shall submit a report within 30 days after the end of each reporting period wherein any performance is made on this contract identifying data for each hiring location. The contractor shall maintain at each hiring location copies of the reports submitted until the expiration of one year after final payment under the contract, during which time these reports and related documentation shall be made available, upon request, for examination by any authorized representative of the contracting officer or of the Secretary of Labor. Documentation would include personnel records respecting job openings, recruitment and placement.

(e) Whenever the contractor becomes contractually bound to the listing provisions of this clause, it shall advise the employment service system in each state where it has establishments of the name and location of each hiring location in the state. As long as the contractor is contractually bound to these provisions and has so advised the State System, there is no need to advise the State System of subsequent contracts. The contractor may advise the State System when it is no longer bound by this contract clause.

(f) This clause does not apply to the listing of employment openings which occur and are filled outside of the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

(g) The provisions of paragraphs (b), (c), (d), and (e) of this clause do not apply to openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

24. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (Continued)

(h) As used in this clause: (1) "All suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: production and nonproduction; plant and office; labors and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings as are compensated on a salary basis of less than \$25,000 per year. This term includes full-time employment, temporary employment of more than 3 days duration, and part-time employment. It does not include openings which the contractor proposed to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement nor openings in an educational institution which are restricted to students of that institution. Under the most compelling circumstances an employment opening may not be suitable for listing, including such situations where the needs of the Government cannot reasonably be otherwise supplied, where listing would be contrary to national security, or where the requirement of listing would otherwise not be for the best interest of the Government.

(2) "Appropriate office of the State Employment Service System" means the local office of the Federal-State National System of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

(3) "Openings which the contractor proposes to fill from within his own organization" means employment openings for which no consideration will be given to persons outside the contractor's organization (including any affiliates, subsidiaries, and the parent companies) and includes any openings which the contractor proposes to fill from regularly established "recall" lists.

(4) "Openings which the contractor proposes to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings which the contractor proposes to fill from union halls, which is part of the customary and traditional hiring relationship which exists between the contractor and representatives of his employees.

(i) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Veterans Readjustment Act, hereinafter referred to as the "Act" (38 U.S.C. 2012).

24. AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (Continued)

(j) In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(k) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. Such notice shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era for employment, and the rights of applicants and employees.

(l) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of the Vietnam Era Veterans Readjustment Assistance Act, and is committed to take the affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era.

(m) The contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

25.

PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (1970 JAN)

If any price, including profit or fee, negotiated in connection with this contract or any cost reimbursable under this contract was increased by any significant sums because:

- (i) the Contractor furnished cost or pricing data which was not complete, accurate and current as certified in the Contractor's Certificate of Current Cost or Pricing Data;
- (ii) a subcontractor, pursuant to the clause of this contract entitled "Subcontractor Cost or Pricing Data" or "Subcontractor Cost or Pricing Data—Price Adjustments" or any subcontract clause therein required, furnished cost or pricing data which was not complete, accurate and current as certified in the subcontractor's Certificate of Current Cost or Pricing Data;
- (iii) a subcontractor or prospective subcontractor furnished cost or pricing data which was required to be complete, accurate and current and to be submitted to support a subcontract cost estimate furnished by the Contractor but which was not complete, accurate and current as of the date certified in the Contractor's Certificate of Current Cost or Pricing Data; or
- (iv) the Contractor or a subcontractor or prospective subcontractor furnished any data, not within (i), (ii) or (iii) above, which was not accurate as submitted;

the price or cost shall be reduced accordingly and the contract shall be modified in writing as may be necessary to reflect such reduction. However, any reduction in the contract price due to defective subcontract data of a prospective subcontractor when the subcontract was not subsequently awarded to such subcontractor, will be limited to the amount (plus applicable overhead and profit markup) by which the actual subcontract, or actual cost to the Contractor if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor, *provided* the actual subcontract price was not affected by defective cost or pricing data.

Note: Since the contract is subject to reduction under this clause by reason of defective cost or pricing data submitted in connection with certain subcontracts, it is expected that the contractor may wish to include a clause in each such subcontract requiring the subcontractor to appropriately indemnify the contractor. However, the inclusion of such a clause and the terms thereof are matters for negotiation and agreement between the contractor and the subcontractor, *provided* that they are consistent with ASPR 23-203 relating to Disputes provisions in subcontracts. It is also expected that any subcontractor subject to such indemnification will generally require substantially similar indemnification for defective cost or pricing data required to be submitted by his lower tier subcontractors.

(End of clause)

CONTRACTUAL CONTENTS

This contract consists of the following:

- a. Utility Service Contract, 14 Pages, dated 78JUL01
- b. Special Provisions, 10 Pages, dated 78JUL01
- c. Exhibit A-1, Sewage Service Specifications, 1 Page, dated 78JUL01
- d. Exhibit A-1-1, Area Drawing, showing point of delivery, dated 78JUL01, 2 Sheets
- e. Exhibit A-1-2, One Line Diagram, dated 78JUL01, 1 Sheet
- f. Exhibit B-1, Rate Schedule, 3 Pages, dated 78JUL01
- g. Exhibit C, Connection and Connection Privilege Charge Clause, 1 Page, dated 78JUL01
- h. Exhibit C-1, Installed Facilities and Connection Privilege Charge Cost Breakdown, 1 page, dated 78JUL01

SPECIAL PROVISIONS

SP-01 - Technical Definitions

- a. Regional Wastewater Reclamation Plant (RWRP) means the Contractor's present sewage treatment plant having a total average dry weather flow treatment capacity of 5 mgd.
- b. Regional Wastewater Management System (RWMS) means the total system which will include a wastewater conveyance system, the regional wastewater reclamation plant, and eventually a reclaimed water system.
- c. Existing Plant means the Regional Wastewater Reclamation Plant as defined in paragraph SP-01a supra.
- d. Expanded Plant means the existing plant as expanded in the future to provide a total average dry weather flow in excess of 5 mgd.
- e. Excess Capacity means the City of Lompoc's treatment capacity in the RWRP in excess of the capacity required by the Contractor to treat sewage originating within the City of Lompoc. The excess capacity is 1.3 mgd adf plus any additional capacity which may be allotted to Government use by Contractor.
- f. Average Daily Flow (ADF) means the average daily flow in any consecutive two week period, delivered by the Government to the Contractor for treatment and disposal at the RWRP.
- g. Peak Wet Weather Flow (PWWF) means the average rate of flow delivered by the Government to the Contractor for treatment and disposal at the RWRP during any continuous 15 minute period of wet weather.
- h. MGD means million gallons per day.
- i. CCF means 100 Cubic Feet for metering purposes.
- j. Suspended Solids (SS) means particulate matter suspended in wastewater which can be filtered and has a minimum particle diameter in excess of about 1 micron.
- k. Five-day Biochemical Oxygen Demand (BOD₅) means measurement of the dissolved oxygen used by microorganisms in the biochemical oxidation of organic matter at 20 degrees centigrade.
- l. Chemical Oxygen Demand (COD) means measurement of the oxygen equivalent of that portion of the organic matter in a sample that is susceptible to oxidation by a strong chemical oxidant.
- m. Replacement Fee means charges for expenditures for obtaining and installing equipment accessories, or appurtenances during the useful life of treatment works necessary to maintain the capacity and performance for which such works are designed and constructed.

SP-02 - Services

The Contractor agrees to accept sewage from the Government developed from the operation of Vandenberg Air Force Base for treatment and disposal at the Regional Wastewater Reclamation Plant for such period of time as specified in SP-03b(2) and after the ten year period for such additional time as the Contractor determines there is excess capacity available.

SP-03 - Ownership of Facilities and Capacity Rights

a. The Government shall acquire no ownership interest or capacity right in the existing plant nor shall the Government be obligated to pay any capital cost associated with construction of the existing plant except as provided under SP-03b(1)(b) and SP-03.c.

b. The Contractor shall have the right to recapture use of the excess capacity (1.3 mgd allocated to Government use) or any part thereof, at such time as its own needs require its use upon the following terms and conditions:

(1) Contractor shall give the Government not less than four years notice of its intention to terminate the contract. The Government shall have the right to exercise the following options:

(a) To terminate this agreement, termination to be effective no sooner than 90 days from the date of the notice, and no later than four years therefrom, or

(b) To have the Contractor build at Government expense, plant capacity required by the Government, depending on favorable congressional appropriation. The Contractor will own, operate and maintain the RWRP, but the Government shall have irrevocable capacity rights in the amount constructed for it in the Contractor's plant.

(2) Any provisions of SP-03b(1) to the contrary notwithstanding, the Government shall have the right to service under this contract for a period of ten years from the date of connection to the RWRP unless the Contractor determines recapture is required because of increased Government activities at VAFB impacting upon the City.

c. The Government will contribute the capital cost for the design and construction of the expansion of the treatment plant capacity in conformance with SP-03e necessitated by recapture of excess capacity of 1.3 mgd allocated to the Government or increase in Government requirements. This capital cost shall include the original cost to the City of Lompoc of the facilities in which the Government will receive capacity rights. This does not include cost of facilities funded by the Federal and State Governments.

SP-03 - Ownership of Facilities and Capacity Rights (Continued)

d. The existing RWRP was designed to permit enlargement at an economic cost, as compared to the cost of constructing equivalent additional capacity elsewhere. This enlargement capability is an asset of the Contractor that is irreplaceable once utilized. Therefore, the Contractor reserves the right to construct additional RWRP capacity simultaneously with the construction of Government's capacity, and to contribute only the incremental cost of constructing Contractor's share of the additional capacity, rather than a pro-rata share of the enlargement cost.

e. Government will have the right to construct a maximum of 2.0 mgd of capacity.

f. The Contractor will design and construct all RWRP enlargement and upgrading projects and Government will contribute its share of costs as required under terms of this agreement.

g. The Contractor reserves the right to, at any time at its expense, construct additional capacity for itself or others.

SP-04 - Right to Inspection

The Government may inspect and inquire into the manner in which the Contractor is maintaining and operating its wastewater plant and controls to the end that it shall be maintained and operated in good working order and repair.

Any agent or employee of the Contractor, while in the discharge of his duties and properly identified shall be allowed access to those locations on the Government interceptor and collection lines to make personal examination of sewer pipes and equipment and flows therein. Such access shall be allowed at all reasonable times and to the degree necessary to make samplings and make examinations necessary or convenient to carry out the purposes of this contract or determine the nature and extent of any suspected pollution or wastewater nuisances.

The Government will at all times make available to the Contractor an inspector or inspectors who have access to all portions of the wastewater collection system on the Base which are not available for inspection by the Contractor pursuant to the foregoing paragraph. This inspector or inspectors will be made so available that upon contact by the Contractor, an inspection will be made by said inspector or inspectors within two hours after the Contractor's request. The Contractor will make such a request only during normal Government working hours (working hours of the inspector or inspectors), unless the Contractor has reasonable cause to believe that discharges into the Base collection system at points not subject to inspections by the Contractor under the foregoing paragraph are endangering the wastewater management system. The names and methods of contacting said inspector or inspectors will be supplied to the Contractor by the Government and kept current.

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SP-05 - Source Control:

The Government shall adopt such rules, regulations and standards as necessary to implement the provisions of this contract or to protect the Contractor's wastewater system as it is designed to operate.

SP-06 - Influent Wastewater:

The influent quality of the Government's sewage at the plant shall be controlled by the Government to the following restrictions. In event the influent is found to exceed the restrictions, the Government shall be immediately notified by the Contractor by letter, phone, or both, depending on seriousness and urgency. The Government shall initiate immediate action to investigate, verify, and correct the deficiencies. The Contractor will provide advisory assistance as required. The Government shall take necessary action to prevent on-base discharge to the sewage system of:

- a. Any solids, liquids or gases which by themselves or by interaction with other substances may cause fire or explosion hazards, or in any other way be injurious to persons, property or the operation of the wastewater system. These substances include but are not limited to gasoline, benzene, maptha, solvent and fuel oil.
- b. Any noxious or malodorous solid, liquid, or gas, which either singly or by interaction with other substances, is capable of interfering with wastewater treatment or processes, creating a public nuisance or hazard or preventing entry into sewers for their maintenance and repair.
- c. Any ashes, asphalt, dead animals, offal, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, animal manure, bones, hair or fleshings, entrails, paper dishes, paper cups, milk containers, or other similar paper products or any other solids, greases, slurries or viscous materials of such character or in such quantity that, in the opinion of the Contractor, it may cause an obstruction to the flow in the sewer or interfere with the proper function of the wastewater system.
- d. Any wastewater which contains more than 100 mg/l of fat, oil or grease. (As tested by the hexane method).
- e. Any toxic substance, chemical element or compound in quantities sufficient to impair the operation or efficiency of the wastewater treatment facilities, or that will pass through the wastewater treatment plant and cause the effluent thereof to exceed State or Federal water quality requirements.
- f. Any liquids having a pH lower than 6.5 or higher than 8.5, or having any corrosive property capable of causing damage or hazards to structures, equipment, persons or the wastewater system.
- g. Any wastes containing radioactive substances without obtaining a special permit from the Contractor.
- h. Any water or wastes containing nonbiodegradable cutting oils, commonly called soluble oils, which form persistent water emulsions.

SP-06 - Influent Wastewater: (Continued)

- i. Any concentration of nonbiodegradable oil, petroleum oil, or refined petroleum products greater than 10mg/l.
- j. Any waste with a concentration of reducing agents or substances which will significantly increase the amount of chlorine or other disinfecting agent or upset biological stabilization by imposing an additional air requirement.
- k. Any amount of a chlorinated hydrocarbon or an organic phosphorus compound, commonly known as pesticides.
- l. Any waste which results in discoloration of treatment plant effluent.
- m. Recognizable portions of the human anatomy.
- n. Any infectious waste which cannot be effectively disinfected by chlorination.
- o. Any hypodermic needles, syringes or associated articles.
- p. Any waters or wastes containing toxic substances exceeding the following concentrations in mg/l:

Arsenic	0.1	Fluoride	1.5
Barium	1.0	Iron	5.0
Boron	1.0	Lead	0.1
Cadmium	0.01	Mercury	0.005
Chromium,		Zinc	0.25
total	0.05	Nickel	0.25
Copper	0.25	Selenium	0.01
Cyanide	0.2	Sulfide	0.1

- q. Any water added for the purpose of diluting wastes which waste would otherwise exceed applicable maximum concentration limitations.
- r. Any waste which may have an adverse or harmful effect on sewers, maintenance personnel, wastewater treatment plant personnel or equipment, wastewater treatment plant effluent quality, public or private property, or may otherwise endanger the public, the local environment or create a public nuisance. The contractor in determining the acceptability of specific wastes, shall consider the characteristics of the waste and the adequacy and nature of the collection, treatment and disposal system available to handle the waste.

SP-06 - Influent Wastewater (Continued)

s. Any water softener regeneration waste which, during any 30 day period, contains more than 999 pounds of salt. Notwithstanding this or any other provision in this contract; however, in the event the Contractor determines it necessary to further reduce chloride and sodium wastes in order to meet discharge requirements or to protect or improve ground water quality the Government agrees to restrict or eliminate home water softening regeneration equipment to the same extent as provided by City ordinance.

SP-07 - Medical Facility Wastes

a. The following wastes may be discharged to the wastewater system from a medical facility as long as waste particles pass through a maximum of one-half inch mesh opening:

(1) Wet organic kitchen wastes from food preparation and disposal but excluding all paper and plastic items.

(2) Infectious wastes defined as:

(a) Laboratory and surgical operating room wastes except as included in subsections below.

(b) Wastes from outpatient areas and emergency rooms similar to those included in (a) above.

(c) Equipment, instruments, utensils and other materials of a disposable nature, that may harbor or transmit pathogenic organisms and that are used in the rooms of patients having a suspected or diagnosed communicable disease which by nature of the disease is required to be isolated by Public Health agencies.

b. The following wastes shall not be discharged from a medical facility to the public sewer by any means:

(1) Solid wastes generated in the rooms of patients who are not isolated because of a suspected or diagnosed communicable disease.

(2) Recognizable portions of the human anatomy.

(3) X-ray processing waste and other related radioactive wastes except those within the minimum level allowed by law.

(4) All solid wastes not included in subsection (a) of this Section above.

SP-08 - Influent Wastewater Sampling and Analysis

As part of the operation of the Regional Wastewater Management System, the Contractor shall examine, analyze and measure the influent wastewater quality. Representative composite wastewater samples shall be taken from the Government's influent on a weekly basis. The composite samples shall be over a 24-hour period and shall be composited proportionately with respect to flow. Two of the samples collected each month from the Government during the year shall be collected on either a Saturday or a Sunday; the remaining samples shall be collected on days during the remainder of the week. Analyses of the samples include, at a minimum, suspended solids (SS) and five-day biochemical oxygen demand (BOD₅). The average strength of the influent wastewater quality (as measured by its SS, BOD₅ or COD) shall be determined by the Contractor. Analysis shall be conducted in accordance with the most recent edition of "Standard Methods for Examination of Water and Wastewater," jointly published by the American Public Health Association, the American Water Works Association, and the Water Pollution Control Federation. A comprehensive sampling report shall be provided to the Government monthly by the Contractor.

SP-09 - Additional Responsibility

It shall be the responsibility of the Government to ensure that the wastewater discharge to the Contractor's system meets the requirements of this provision. The Government will furnish to the Contractor, a monthly report of treated water supply including the constituents of total dissolved solids, sodium, sulfate and chloride. The discharges shall not contain constituents in excess of the following limits:

<u>Constituent</u>	<u>Units</u>	<u>Yearly Arithmetic Mean</u>	<u>Daily Maximum</u>
Total dissolved Solids	mg/l	Treated water supply + 300	1400
Sodium	mg/l	Treated water supply + 75	350
Sulfate	mg/l	Treated water supply + 50	500
Chloride	mg/l	Treated water supply + 75	250

SP-10 - Permitted Flows

At and after commencement of operation of the Government tie-in to the Regional Wastewater Management System, Contractor agrees to permit the Government to deliver wastewater for conveyance, treatment and disposal up to and including the following flow:

<u>ADF, mgd</u>	<u>PWWF, mgd</u>
1.3	3.4
(Normal, but not to exceed plant residual capacity)	

SP-10 - Permitted Flows (Continued)

The Contractor may check the wastewater flow during periods of wet weather to determine actual PWWF. If these rates indicate that the Government is exceeding the permitted PWWF referred to, the Government shall expend reasonable efforts to assure that the infiltration/inflow rate is reduced.

SP-11 - Notification of Unusual Influent

The Government agrees that when unusual influent will result from actions taken by the Government or Government's contractors, notification will be given to the Contractor at the earliest possible time, and in no case less than eight hours previous. These unusual influents include, but are not limited to, sewage main cleaning and roding, swimming pool dumping, industrial waste dumping, and other similar actions.

SP-12 - Costs of Compelled Upgrading

If it shall be necessary for the Contractor to improve wastewater treatment or the effluent thereof, due to laws, regulations or requirements by higher authorities including the State and Federal governments, then Government shall participate on a proportionate basis in the cost of said improvements or additional facilities required by any such Federal, State regulatory body or agency. The proportionate cost of any construction or addition to the contractor's plant that the Government must pay for is subject to approval and appropriation by Congress. If Congress does not appropriate funds for the construction or addition to the contractor's plant, the Government will renegotiate the rate to cover the proportionate cost.

SP-13 - Rates and Charges

Rates and charges, cost calculations, etc shall be as provided in the attached Sewage Service Specifications and Exhibit B-1 thereto.

Capital Recovery Charges shall be zero and the parties hereto shall cooperate in obtaining any necessary governmental waivers of any requirement for Contractor to charge, and Government to pay, for Capital Recovery Charges.

This agreement and the charges and rates to be paid by Government are consistent with the Revenue Program Guideline for Wastewater Agencies of the California State Water Resources Control Board (SWRCB) and the "fair and equitable" clause of Contractor's Clean Water Grant. The parties will cooperate in securing approval of this agreement by the SWRCB and a determination by the Environmental Protection Agency (EPA) that it conforms to the requirements of the "fair and equitable" clause.

SP-13 - Rates and Charges (Continued)

Expense accounts to be included in operating and maintenance expenses will conform to the current SWRCB Guidelines. Labor costs will include all applicable fringe benefits.

SP-14 - Conveyance System

Government shall provide the conveyance system for its sewage to a discharge point within the existing plant. Ownership and maintenance responsibility to the point of discharge shall be the Government's.

SP-15 - Metering

The responsibility for providing a metering device for Government's sewage shall be the Government's, which responsibility shall be met upon payment of the Connection Fee, (Exhibit "C"). The costs of maintenance, operation, calibration and testing concerning said meter is included in the rate for service.

SP-16 - Right-of-Entry and Easement

The contractor shall provide a "right-of-entry" and "easement" to the Government at no additional cost to allow the Government to construct the connection to the plant. Route shall be as mutually agreed upon. Government shall be responsible for all costs of connecting the interceptor to the plant including restoration of any facilities, roadways, landscaping, fences, etc which may be affected by Government's construction.

SP-17 - Taking service under this contract is contingent upon sufficient funds available in FY MCP 77 project to provide on and off-base sewage connection mains and support facilities.

SP-18 - Availability and Commencement of Service

Service is available and will commence upon written notice by the contracting officer.

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SP-19 - Invoicing Procedures

a. Invoices will be submitted in two copies to the following address: 4392AEROSG/DEEE, Base Civil Engineers, Vandenberg AFB CA 93437.

b. Specify the following information on all invoices or billings in addition to other required entries:

- (1) Contract Number
- (2) Type of Service
- (3) The period covered (inclusive dates)
- (4) a Breakdown of the total amount, indicating the total units of service rendered, the rate charged per unit, and the total charge.

STEAM, WATER OR SEWAGE SERVICE SPECIFICATIONS	TYPE (Check appropriate service) <input type="checkbox"/> STEAM <input type="checkbox"/> WATER <input checked="" type="checkbox"/> SEWAGE	DATE 78JUL01
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1. PREMISES TO BE SERVED
 Vandenberg Air Force Base, California 93437

2. ESTIMATED SERVICE REQUIREMENTS (The Government is in no way obligated to use nor is it restricted to the following estimated requirements).

MAXIMUM DEMAND		ANNUAL CONSUMPTION	ANNUAL COST (Estimated)
STEAM (Hourly) N/A LBS	WATER (Daily) N/A M GAL	386,170,000 M GALS	\$223,700

3. POINT OF DELIVERY To the Regional Wastewater Reclamation Plant on Bailey and Central Avenue, Lompoc, California

4. DESCRIPTION OF SERVICE

<input type="checkbox"/> STEAM	THE CONTRACTOR SHALL HAVE <u>N/A</u> POUNDS PER HOUR OF STEAM CONTINUOUSLY AVAILABLE AT THE POINT OF DELIVERY AT A PRESSURE OF NOT LESS THAN <u>N/A</u> POUNDS OR IN EXCESS OF <u>N/A</u> POUNDS PER SQUARE INCH GAUGE. THE STEAM FURNISHED SHALL CONTAIN NOT MORE THAN 1% MOISTURE AND SHALL BE FREE OF CONDENSATE AT POINT OF DELIVERY.
<input type="checkbox"/> WATER	THE CONTRACTOR SHALL HAVE <u>N/A</u> GALLONS PER MINUTE OF WATER CONTINUOUSLY AVAILABLE AT THE POINT OF DELIVERY AT A PRESSURE OF NOT LESS THAN <u>N/A</u> POUNDS PER SQUARE INCH GAUGE. THE CONTRACTOR WILL SUPPLY CLEAR, POTABLE WATER SAFE FOR HUMAN CONSUMPTION IN ACCORDANCE WITH STANDARDS ADOPTED BY THE UNITED STATES PUBLIC HEALTH SERVICE FOR DRINKING, AND CULINARY WATER SUPPLIED BY COMMON CARRIERS IN INTERSTATE COMMERCE, AND SUCH REVISIONS THEREOF AS MAY BE MADE FROM TIME TO TIME.
<input checked="" type="checkbox"/> SEWAGE	THE CONTRACTOR SHALL FURNISH A SANITARY SEWER CONNECTION AND SANITARY SEWERAGE SERVICE AS REQUIRED BY THE GOVERNMENT AND SHALL RECEIVE, CARRY, TREAT AND DISPOSE OF ALL SANITARY SEWAGE ORIGINATING AT THE PROJECT IN SUCH AMOUNTS AS THE GOVERNMENT DESIRES TO RELEASE INTO CONTRACTOR'S SEWER SYSTEM, AND IN A MANNER AND BY SUCH MEANS AS WILL CONSTITUTE NO HAZARD TO THE PUBLIC HEALTH. CONTRACTOR SHALL OPERATE ITS SEWAGE DISPOSAL AND TREATMENT FACILITIES IN CONFORMITY WITH APPLICABLE LAWS, RULES, AND REGULATIONS PROMULGATED BY STATE AND FEDERAL GOVERNMENTAL AUTHORITIES. See Special Provision SP-10 for restricted volumes.

5. METERING AND BILLING ¹			6. SIZE OF PIPELINE TO POINT OF DELIVERY (Diameter in inches)		SEWER (Size of sewer to point of delivery. Diameter in inches)
METERS INSTALLED TO MEASURE SERVICE			STEAM	WATER	
<input type="checkbox"/> STEAM NA	NUMBER N/A	TYPE (Condensate or Flow) N/A	N/A	N/A	15 inch VCP
<input type="checkbox"/> WATER NA	NR N/A	SIZE N/A			

7. ATTACHED AS EXHIBIT A-1-1 IS AN 8 1/2" X 11" (or multiple thereof) AREA MAP SHOWING MAINS AND/OR TAPS AND POINT(S) OF DELIVERY, INCLUDING MAIN SIZE(S), OWNERSHIP, TYPE OF LINE(S) AND METER LOCATION(S).

8. ATTACHED AS EXHIBIT A-1-2 IS AN 8 1/2" X 11" (or multiple thereof) ONE LINE DIAGRAM PROPERLY IDENTIFYING THE FACILITIES INVOLVED.

REMARKS

1. Rate Schedule (Exhibit B-1) is applicable for service under this contract.
2. The estimated annual cost is based on the following:

a. Metered usage	\$161,200.00	
b. Replacement Fee	\$41,000.00	(10 year average)
c. Interest Fee	\$21,500.00	(23 year average)

Exhibit A-1 Attached to and made a part of Contract No F04684 78 D0008

RATE SCHEDULE

SEWAGE SERVICE

Charges for maintenance, operation, interest and administrative costs to become effective upon connection to the Lompoc Valley Regional Wastewater System are established as follows and will be billed monthly based on recorded volumes (or estimates, if the meter is not working properly or has been removed for repairs) and weekly SS, BOD₅ test results for each preceding month.

Volume	\$ 185.00	per 1,000,000 gallons
SS	\$ 91.00	per 1,000 pounds
BOD ₅	\$ 85.00	per 1,000 pounds

Administrative Service Charges are limited to 10% of direct Operation and Maintenance Labor Costs. This pre-determined rate is subject to annual re-negotiation.

Exhibit B-1
Attached to and made a part of
Contract No. F04684 78 D0008
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REPLACEMENT FEE

1. A replacement fee shall be added to the monthly billing for O & M costs and paid in twelve (12) equal installments therewith. It shall be charged according to the following schedule. Any required increase or decrease shall be renegotiated.

<u>Fiscal Year</u> <u>July 1 - June 30</u>	<u>Replacement Fee</u> <u>(in dollars)</u>	<u>MONTHLY</u>
1978-79	0	
1979-80	20,000	1666.67 ✓
1980-81	30,000	2500 ✓
1981-82	40,000	3333.33 ✓
1982-83	50,000	4166.67
1983-84	50,000	..
1984-85	50,000	..
1985-86	50,000	..
1986-87 and each year thereafter	60,000	5000.

2. All funds paid by the Government under this Replacement Fee Schedule shall be set aside by the Contractor into a specific account designated for the purpose intended. (See SP-01.m.)

WASTEWATER TREATMENT INTEREST FEE

An interest fee shall be charged according to the following schedule, to be paid twice yearly at six month intervals.

<u>Year</u>	<u>Annual Total</u>	<u>EACH APRIL OCTOBER</u>
1978-79	34,872	17,436.00
1979-80	34,113	17,056.50
1980-81	33,291	16,645.50
1981-82	32,405	16,202.50
1982-83	31,519	15,759.50
1983-84	30,570	15,285.00
1984-85	29,558	14,779.00
1985-86	28,483	14,241.50
1986-87	27,281	13,640.50
1987-88	26,016	13,008.00
1988-89	24,759	12,379.50
1989-90	23,367	11,683.50
1990-91	21,943	10,971.50
1991-92	20,461	10,230.50
1992-93	18,859	9,429.50
1993-94	17,128	8,564.00
1994-95	14,316	7,158.00
1995-96	13,281	6,640.50
1996-97	11,178	5,589.00
1997-98	8,954	4,477.00
1998-99	6,611	3,305.50
1999-00	4,087	
2000-01	1,382	

Exhibit B-1 2043.50
 Attached to and made a part of
 Contract F04684 78 D0008
 Page 3 of 3 691.00
 Date 78JUL01

CONNECTION CHARGE

1. CHARGE. In consideration of the furnishing and installation by the Contractor at his expense of the new facilities described in Exhibit C-1, attached hereto and made a part hereof, the Government shall pay the Contractor, as a connection charge, after receipt of satisfactory evidence of completion of the facilities, the sum of \$40,000.00 dollars, provided that as a condition precedent to final payment, the Contractor, if required by the Contracting Officer, shall execute a release in terms acceptable to the Contracting Officer of claims against the Government arising under or by virtue of the installation.

2. The Connection Charge Cost herein is based on the Contractor's best estimate at the time of execution of this Contract. The final cost will be adjusted to the actual out of pocket costs resulting from the installation of these facilities as described in Exhibit C-1. Such installation to be accomplished by separate contract issued by the Contractor.

3. OWNERSHIP, OPERATION, AND MAINTENANCE OF NEW FACILITIES. Notwithstanding the payment by the Government of a connection charge, the facilities to be supplied by the Contractor under this contract shall remain the property of the Contractor, and, at all times during the life of this contract or any renewals thereof, shall be operated and maintained by the Contractor. Such costs are borne by the Government and are included in the Rate Schedule. (See SP-15)

CONNECTION PRIVILEGE CHARGE

1. The Government in consideration for the privilege to connect to the Contractor's Regional Wastewater Reclamation Plant, shall pay a non-reimbursable connection privilege fee in the amount of \$15,000.00, which is further described in Exhibit C-1, attached hereto and made a part hereof.

2. Payment of the Connection Privilege Charge shall be made with the initial payment for services.

ADMINISTRATIVE DATA:

PURCHASE REQUEST: F7DEEE 8297 0001

ACCOUNTING CLASSIFICATION: 57X3300 247 6717 P321 7-367 S594100

EXHIBIT C

Attached to and made a part of
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