

CITY OF MANHATTAN BEACH GENERAL SERVICES AGREEMENT

This General Services Agreement ("Agreement") is between the City of Manhattan Beach, a California municipal corporation ("City") and, Hadronex, Inc. dba SmartCover Systems a Delaware corporation ("Contractor") is hereby effective ("Effective Date") upon the date the City Manager executes this Agreement. City and Contractor are sometimes referred to herein as the "Parties", and individually as a "Party".

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Scope of Services.

A. Contractor shall perform the work and provide all labor, materials, equipment and services (hereinafter, the "Work" or "Services") in a good and workmanlike manner for the project identified as Sewer Smart Covers, as described in this Agreement, the Scope of Work attached hereto as Exhibit A, and incorporated herein by this reference, and Contractor's Proposal dated August 29, 2024, a copy of which is attached hereto as Exhibit B and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and the incorporated documents, the terms of this Agreement shall control.

B. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the "City Representative"). For the purposes of this Agreement, the Contractor Representative shall be Eric Van Cleave, Regional Sales Manager (the "Contractor Representative"). The Contractor Representative shall directly manage Contractor's Services under this Agreement. Contractor shall not change the Contractor Representative without City's prior written consent.

C. Contractor shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

D. This Agreement calls for services that, in whole or in part, constitute "public works" as defined in the California Labor Code. Therefore, as to those services that are "public works", the Contractor shall comply in all respects with all applicable provisions of the California Labor Code, including those set forth in Exhibit C hereto.

2. Extra Work. Extra work, when ordered in writing by the City Representative and accepted by Contractor, shall be paid for in accordance with the terms of the written work order. Payment for extra work will be made at the unit price or lump sum previously agreed upon in writing between Contractor and the City Representative. All extra work shall be adjusted daily upon the report sheet furnished by Contractor, prepared by the City Representative, and signed by both parties; and the daily report shall be considered thereafter the true record of extra work done.

3. Term. The term of this Agreement shall be from the Effective Date through December 31, 2025 unless sooner terminated as provided in Section 12 of this Agreement. Additionally, there shall be two one-year options to renew the Agreement

with the mutual written consent of both parties. If not renewed prior to the anniversary date, this Agreement may continue on a month-to-month basis under the same terms and conditions for a maximum period not to exceed six months or until renewed, terminated or awarded to a new contractor, whichever is less.

4. Time of Performance.

A. Contractor will not perform any work under this Agreement until:

1) Contractor furnishes proof of insurance as required under Section 14 of this Agreement, and City's Risk Manager has approved the proof of insurance; and

2) City gives Contractor a written notice to proceed (NTP).

B. Should Contractor begin work in advance of receiving a written NTP, any such Services are at Contractor's own risk.

C. Contractor shall commence the Services on the Effective Date and shall perform all Services by the deadline established by the City Representative or, if no deadline is established, with reasonable diligence.

☐ This Agreement contemplates multiple NTP's, each for a specific job. Contractor shall perform only the Services required for the job authorized by a written NTP.

5. Time. Time is of the essence in this Agreement.

6. Force Majeure. Neither City nor Contractor shall be responsible for delays in performance under this Agreement due to causes beyond its control, including but not limited to acts of God, acts of public enemies, acts of the government, fires, floods or other casualty, epidemics, earthquakes, labor stoppages or slowdowns, freight embargoes, unusually severe weather, and supplier delays due to such causes. Neither economic nor market conditions nor the financial condition of either party shall be considered a cause to excuse delay pursuant to this Section. Each party shall notify the other promptly in writing of each such excusable delay, its cause and its expected delay, and shall upon request update such notice.

7. Compensation.

A. In consideration of the Services rendered hereunder, City shall pay Contractor a fee not to exceed Seventy-Four Thousand, Nine-Hundred Dollars \$74,900; the "Maximum Compensation"), in accordance with the prices as submitted in Exhibit B.

B. City shall only reimburse Contractor for those actual and necessary expenses expressly set forth in Exhibit B. The Maximum Compensation shall include the attendance of Contractor at all project meetings reasonably deemed necessary by City. In no event shall reimbursable expenses collectively exceed the total sum of \$74,900.

8. Payments. Contractor shall submit to City an invoice on a monthly basis, via email to invoices@manhattanbeach.gov, for the Services performed pursuant to this Agreement. Each invoice shall itemize the Services rendered during the billing period,

hourly rates charged, if applicable, fee for task or job, if applicable, and the amount due. City shall review each invoice and notify Contractor in writing within ten business days of receipt of any disputed invoice amounts.

City shall make payments within 30 days after receipt of an undisputed and properly submitted payment request from Contractor. City shall return to Contractor any payment request determined not to be a proper payment request as soon as practicable, but not later than seven days after receipt, and shall explain in writing the reason(s) why the payment request is not proper.

9. Taxes. Contractor shall calculate payment for all sales, unemployment, and other taxes imposed by local, state and federal law. These payments are included in the total amounts in Exhibit B.

10. Audit. City or its representative shall have the option of inspecting and/or auditing all records and other written materials used by Contractor in preparing its billings to City as a condition precedent to any payment to Contractor. Contractor will promptly furnish documents requested by City. Additionally, Contractor shall be subject to State Auditor examination and audit at the request of City or as part of any audit of City, for a period of three years after final payment under this Agreement.

11. Unresolved Disputes. In the event of any dispute or controversy with City over any matter whatsoever, Contractor shall not cause any delay or cessation in or of work, but shall proceed with the performance of the work in dispute. Manhattan Beach Municipal Code Chapter 2.56 ("Matters Requiring Filing of Claims") shall govern the procedures of the claim process, and these provisions are incorporated herein by this reference.

12. Termination. This Agreement may be canceled by City at any time with or without cause and without penalty upon 30 days' written notice. This Agreement may be canceled by Contractor at any time with or without cause and without penalty upon 90 days' written notice. In the event of termination, all finished or unfinished work and other materials shall, at the option of City, be delivered to and become the property of City. In the event of termination without fault of Contractor, City shall pay Contractor for all Services satisfactorily rendered prior to date of termination, and such payment shall be in full satisfaction of all Services rendered hereunder.

13. Indemnification.

A. Indemnities.

1) To the fullest extent permitted by law, Contractor shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor, its officers, agents, servants, employees, subcontractors, materialmen,

consultants or their officers, agents, servants or employees (or any entity or individual that Contractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Contractor shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Contractor shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Contractor shall pay all required taxes on amounts paid to Contractor under this Agreement and indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers' compensation law regarding Contractor and Contractor's employees. Contractor shall indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this subparagraph A.2).

3) Contractor shall obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Agreement. If Contractor fails to obtain such indemnity obligations, Contractor shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from and against any and all Liabilities at law or in equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Contractor's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties.

B. Workers' Compensation Acts not Limiting. Contractor's indemnifications and obligations under this Section, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Contractor because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The indemnities in this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, tax, assessment, penalty or interest asserted against City.

D. Survival of Terms. Contractor's indemnifications and obligations under this Section shall survive the expiration or termination of this Agreement.

14. Insurance Requirements.

A. Minimum Scope and Limits of Insurance. Contractor shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of \$1,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$2,000,000.00 per project or location. If Contractor is a limited liability company, the commercial general liability coverage shall be amended so that Contractor and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$2,000,000.00 per accident for bodily injury and property damage. If Contractor does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Contractor shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Section.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Contractor has no employees while performing Services under this Agreement, a workers' compensation policy is not required, but Contractor shall execute a declaration that it has no employees.

 4) Professional Liability [Errors and Omissions] Insurance with minimum limits of \$2,000,000.00 per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Section shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self insurance shall not be considered to comply with the insurance requirements under this Section.

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City and its elected and appointed officials, officers, employees, agents and volunteers as additional insureds. This provision shall also apply to any excess/umbrella liability policies.

D. Primary and Non-Contributing. The insurance policies required under this Section shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its elected and appointed officials, officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.

E. Contractor's Waiver of Subrogation. The insurance policies required under this Section shall not prohibit Contractor and Contractor's employees, agents or

subcontractors from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Contractor shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Contractor shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Contractor shall not cancel, reduce or otherwise modify the insurance policies required by this Section during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under this Section is canceled or reduced in coverage or limits, Contractor shall, within two business days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

H. City Remedy for Noncompliance. If Contractor does not maintain the policies of insurance required under this Section in full force and effect during the term of this Agreement, or in the event any of Contractor's policies do not comply with the requirements under this Section, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Contractor's expense, the premium thereon. Contractor shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Contractor.

I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Contractor shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Section. The endorsements are subject to City's approval. Contractor may provide complete, certified copies of all required insurance policies to City. Contractor shall maintain current endorsements on file with City's Risk Manager. Contractor shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Contractor shall furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Contractor shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's duty to indemnify City under Section 13 of this Agreement.

K. Broader Coverage/Higher Limits. If Contractor maintains broader coverage and/or higher limits than the minimums required above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

L. Subcontractor Insurance Requirements. Contractor shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section.

15. Familiarity with Work.

A. By executing this Agreement, Contractor represents that it:

- 1) Has thoroughly investigated and considered the Services to be performed;
- 2) Has carefully considered how the Services should be performed; and
- 3) Understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement.

B. If Services involve work upon any site, Contractor warrants that it has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the Services hereunder. Should Contractor discover any latent or unknown conditions that may materially affect the performance of the Services, Contractor will immediately inform City of such fact and will not proceed except at Contractor's own risk until written instructions are received from City.

16. Independent Contractor. Contractor is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as herein set forth; and Contractor is free to dispose of all portions of its time and activities which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Contractor wishes except as expressly provided in this Agreement. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Contractor shall not, at any time or in any manner, represent that it or any of its agents, servants or employees, are in any manner agents, servants or employees of City. Contractor agrees to pay all required taxes on amounts paid to Contractor under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers' compensation law regarding Contractor and its employees. Contractor further agrees to indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any compensation due to Contractor under this Agreement any amount due to City from Contractor as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section.

17. Workers' Compensation Insurance. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

18. Nondiscriminatory Employment. Contractor shall not unlawfully discriminate against any individual based on race, color, religion, nationality, gender, sex, sexual orientation, age or condition of disability. Contractor understands and agrees that it is bound by and will comply with the nondiscrimination mandates of all statutes and local ordinances and regulations.

19. Compliance with Laws. Contractor shall comply with all applicable federal, state and local laws, ordinances, codes and regulations in force at the time Contractor performs its Services pursuant to this Agreement.

20. Contractor's Representations. Contractor represents, covenants and agrees that: a) Contractor is qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent its full performance under this Agreement; c) there is no litigation pending against Contractor, and Contractor is not the subject of any criminal investigation or proceeding; and d) to Contractor's actual knowledge, neither Contractor nor its personnel have been convicted of a felony.

21. Warranty. Contractor warrants all Work under this Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees to warranty labor for ninety (90) days, and parts, materials, and workmanship for a period of one year (or the period of time specified elsewhere in this Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance. Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Agreement, commence and perform with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. Contractor shall perform such tests as City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of City, regardless of whether or not such warranties and guarantees have been transferred or assigned to City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of City, City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse City for any expenses incurred hereunder upon demand.

22. Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the City Representative or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at City’s sole risk and without liability to Contractor, and Contractor’s guarantee and warranties shall not extend to such use, revise or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event, Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

23. Confidentiality and Release of Information.

A. All information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Representative.

B. Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Representative or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Contractor gives City notice of such court order or subpoena.

C. If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Contractor’s conduct.

D. Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

24. Conflicts of Interest. Contractor agrees not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the work under this Agreement which is or may likely make Contractor “financially interested,” as provided in Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Contractor has been retained pursuant to this Agreement.

25. Third Party Claims. City shall have full authority to compromise or otherwise settle any claim relating to this Agreement at any time. City shall timely notify Contractor of the receipt of any third-party claim relating to the Agreement. City shall be entitled to recover its reasonable costs incurred in providing this notice.

26. Non-Assignability; Subcontracting. Contractor shall not assign or transfer any interest in this Agreement nor any part thereof, whether by assignment or novation, without City’s prior written consent. Any purported assignment without written consent shall be null, void, and of no effect; and Contractor shall hold harmless, defend and indemnify City and its officers, officials, employees, agents and representatives with respect to any claim, demand or action arising from or relating to any unauthorized assignment.

27. Applicable Law. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California’s choice of law rules. Venue for any such action relating to this Agreement shall be in the Los Angeles County Superior Court.

28. Attorneys’ Fees. In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys’ fees, experts’ fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

29. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

30. Authority. The persons executing this Agreement on behalf of Contractor warrants and represents that they have the authority to execute this Agreement on behalf of Contractor and have the authority to bind Contractor to the performance of its obligations hereunder.

31. Incorporation by Reference. All Exhibits attached hereto are incorporated herein by reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Contractor’s proposal, the provisions of this Agreement shall control.

32. Entire Agreement. This Agreement, including any other documents incorporated herein by specific reference, represents the entire and integrated agreement between City and Contractor. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties which expressly refers to this Agreement.

33. Construction. In the event of any asserted ambiguity in, or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of interpretation providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted this Agreement or who drafted that portion of this Agreement.

34. Non-waiver of Terms, Rights and Remedies. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Contractor constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Contractor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

35. Notice. Except as otherwise required by law, any notice or other communication authorized or required by this Agreement shall be in writing and shall be deemed received on (a) the day of delivery if delivered by hand or overnight courier service during Contractor's or City's regular business hours or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or at such other address as one party may notify the other:

TO CITY:

City of Manhattan Beach
Attn: Public Works Director
1400 Highland Avenue
Manhattan Beach, California 90266

With a courtesy copy to:

City of Manhattan Beach
Attn: City Attorney
1400 Highland Avenue
Manhattan Beach, California 90266
qbarrow@manhattanbeach.gov

TO CONTRACTOR:

Hadronex, Inc. dba SmartCover Systems
Eric Van Cleave, Regional Sales Mgr.
2110 Enterprise Street
Escondido, California 92029
evcleave@smartcoversystems.com
(760) 291-1980

36. Counterparts. This Agreement may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

37. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

[SIGNATURE PAGE FOLLOWS]

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

City of Manhattan Beach,
a California municipal corporation

Contractor:

Hadronex, Inc. dba SmartCover
Systems
a Delaware corporation

Signed by:
By: Talyn Mirzakhanian
Name: Talyn Mirzakhanian
Title: Acting City Manager
Date: 10/17/2024

DocuSigned by:
By: Corey Williams
Name: Corey Williams
Title: Chief Executive Officer
Date: 10/10/2024

ATTEST:

DocuSigned by:
By: Liza Tamura, City Clerk
Name: Liza Tamura
Title: City Clerk
Date: 10/18/2024

Signed by:
By: James Crabtree
Name: James Crabtree
Title: Chief Financial Officer
Date: 10/10/2024

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

APPROVED AS TO FORM:

DocuSigned by:
By: Quinn Barrow, City Attorney
Name: Quinn M. Barrow
Title: City Attorney
Date: 10/17/2024

APPROVED AS TO FISCAL IMPACT:

DocuSigned by:
By: Onyx Jones, Interim Finance Director
Name: Onyx Jones
Title: Interim Finance Director
Date: 10/16/2024

APPROVED AS TO CONTENT:

DocuSigned by:
By: Erick Lee
Name: Erick Lee
Title: Public Works Director
Date: 10/10/2024

EXHIBIT A

Scope of Work

The Contractor will provide and install: Seven (7) new Smart Covers for seven (7) sewer manholes including full installation, parts and battery warranty, and technical support.

The Contractor will also provide: technical support, Parts, and battery warranty for the existing thirteen (13) units.

Additional services include:

- System Installation by a local, certified field service technician
- Initial Website set up and in-person website training will be provided by a SmartCover Systems representative
- Applications engineering support provided for training and website assistance as requested

EXHIBIT B**Approved Fee Schedule**

The Contractor's Fee Schedule for the installation, maintenance, and technical support of seven (7) new units is as follows. Locations are to be determined by the City and are subject to change.

#	Product	Description	Quantity	Rate	Total
1	SC-Q-SB-15	Complete System - Dual Sensor (Ultra-Sonic & Pressure) Standard Range 15' DSM. Includes E-Box, PowerPack, Bracket, E-Square Antenna, & Installation Kit.	7	\$4,744.00	\$33,208.00
2	ASM-SC1	SmartLevel - Required with system. One-year rate for systems.	7	\$418.00	\$ 2,926.00
3	Install Labor	Labor for proper installation of hardware	7	\$525.00	\$ 3,675.00
4	Freight out	Shipping for hardware	1	\$284.00	\$ 284.00
				Subtotal	\$40,093.00
				Tax	\$ 3,154.76
				Total	\$43,247.76

The Contractor's Fee Schedule for the thirteen (13) existing units is as follows. Rates are for one (1) year and for the period of 1/1/2025-12/31/2025. Locations are to be determined by the City and are subject to change. Rates and quantities are subject to change based on written approval from both the Contractor and City, after the initial one-year period.

#	Product	Description	Qty	Months	Rate	Total
1	ASM-RD-1Y	SmartRain™ - Rain data service. 7088 [SMARTRAIN] North 7089 {SMARTRAIN} South	2	12	\$113.00	\$226.00
2	ASM-SC1R	Renewal: SmartLevel – REQUIRED for system to function.	13	12	\$418.00	\$5,434.00
3	PW-5C1R	Renewal: Power	13	12	\$236.00	\$3,068.00
4	EW-SC1R	Renewal: SmartCover® System™ Warranty- Covers all systems parts except PowerPack-Parts only.	13	12	\$474.00	\$6,162.00
					Total	\$14,890.00

Approved for Use 4/30/20

EXHIBIT C

TERMS FOR COMPLIANCE WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. This Agreement calls for services that, in whole or in part, constitute “public works” as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code (“Chapter 1”). Further, Contractor acknowledges that this Agreement is subject to (a) Chapter 1 and (b) the rules and regulations established by the Department of Industrial Relations (“DIR”) implementing such statutes. Therefore, as to those Services that are “public works”, Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Contractor shall be registered with the Department of Industrial Relations in accordance with California Labor Code Section 1725.5 and has provided proof of registration to City prior to the Effective Date of this Agreement. Contractor shall not perform work with any subcontractor that is not registered with DIR pursuant to Section 1725.5. Contractor and subcontractors shall maintain their registration with the DIR in effect throughout the duration of this Agreement. If the Contractor or any subcontractor ceases to be registered with DIR at any time during the duration of the project, Contractor shall immediately notify City.

4. Pursuant to Labor Code Section 1771.4, Contractor's Services are subject to compliance monitoring and enforcement by DIR. Contractor shall post job site notices, as prescribed by DIR regulations.

5. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

6. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to City, forfeit \$200.00 for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

7. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to: keep accurate

payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform City of the location of the records. Pursuant to Labor Code Section 1771.4, Contractor and each subcontractor shall furnish such records to the Labor Commissioner, at least monthly, in the form specified by the Labor Commissioner.

8. Contractor shall comply with and be bound by the provisions of Labor Code seq. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.

9. The Contractor shall not perform Work with any Subcontractor that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. The Contractor and Subcontractors shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. If the Contractor or any subcontractor becomes debarred or suspended during the duration of the project, the Contractor shall immediately notify City.

10. Contractor acknowledges that eight hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to City, forfeit \$25.00 for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.

11. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance

12. with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.”

13. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor’s compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor’s compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

14. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor’s expense with counsel reasonably acceptable to City) City, its officials, officers, employees, agents and independent contractors serving in the role of City officials, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys’ fees, and other related costs and expenses. All duties of Contractor under this Section shall survive the termination of the Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/11/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 0C36861

San Marcos - Escondido
Alliant Insurance Services, Inc
570 Rancheros Dr Ste 100
San Marcos, CA 92069

CONTACT Julie Amarillas

NAME:

PHONE

(A/C, No, Ext):

FAX

(A/C, No):

E-MAIL

ADDRESS: julie.amarillas@alliant.com

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A : Continental Insurance Company

35289

INSURER B : Technology Insurance Company Inc

42376

INSURER C : Navigators Specialty Insurance Company

36056

INSURER D :

INSURER E :

INSURER F :

INSURED

Hadronex, Inc. dba: SmartCover Systems
2110 Enterprise
Escondido, CA 92029

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY						
	☐ CLAIMS-MADE ☒ OCCUR	☒	☒	7018210531	2/2/2024	2/2/2025	EACH OCCURRENCE \$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
							MED EXP (Any one person) \$ 15,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
							PRODUCTS - COMP/OP AGG \$ 2,000,000
							POL AGG LIMIT \$ 25,000,000
A	☒ AUTOMOBILE LIABILITY						
	☒ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS	☒	☒	BOA 7018210545	2/2/2024	2/2/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						BODILY INJURY (Per person) \$
							BODILY INJURY (Per accident) \$
							PROPERTY DAMAGE (Per accident) \$
							\$
A	☐ UMBRELLA LIAB ☒ OCCUR						
	☒ EXCESS LIAB ☐ CLAIMS-MADE			CUE 7018210528	2/2/2024	2/2/2025	EACH OCCURRENCE \$ 2,000,000
	DED ☒ RETENTION \$ 10,000						AGGREGATE \$ 2,000,000
							\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A	TWC4319133	4/1/2024	4/1/2025	☒ PER STATUTE ☐ OTH-ER
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Pollution Liability			NY23ECPX00143NC	2/2/2023	2/2/2025	Each Claim/Aggregate \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Manhattan Beach, CA, its officers, employees, agents and volunteers are named as additional insured with primary and non contributory wording and waiver of subrogation with respects to General and Auto Liability when required by written contract or agreement

CERTIFICATE HOLDER

CANCELLATION

City of Manhattan Beach
Public Works Department
3621 Bell Avenue
Manhattan Beach, CA 90266-3459

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Angela Holman

From: customerservice@certsonline.com

From:

From: customerservice@certsonline.com

Subject: Upload Via Web

05-20-2024Attachment(s):Smart_Cover_COI_2025.pdf

Client Name: City of Manhattan Beach; Vendor Number: 920200059; Vendor Name: HADRONEX INC; Document Uploaded By: Liana Urrutia Engineering Secretary; Date Uploaded: 5/20/2024 2:58:09 PM ; Comment: N/A



CNA PARAMOUNT

**Blanket Additional Insured - Owners, Lessees or Contractors -
with Products-Completed Operations Coverage Endorsement**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is understood and agreed as follows:

- I. WHO IS AN INSURED** is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **Coverage Part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:
- A. In the performance of your ongoing operations subject to such **written contract**; or
 - B. In the performance of **your work** subject to such **written contract**, but only with respect to **bodily injury** or **property damage** included in the **products-completed operations hazard**, and only if:
 - 1. The **written contract** requires you to provide the additional insured such coverage; and
 - 2. This **Coverage Part** provides such coverage; and
 - C. Subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:
 - 1. Coverage broader than what you are required to provide by the **written contract**; or
 - 2. A higher limit of insurance than what you are required to provide by the **written contract**.

Any coverage granted by this Paragraph I. shall apply solely to the extent permissible by law.

- II.** If the written contract requires additional insured coverage under the 07-04 edition of CG2010 or CG2037, then paragraph I. above is deleted in its entirety and replaced by the following:

WHO IS AN INSURED is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **Coverage Part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** caused in whole or in part by your acts or omissions, or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations subject to such **written contract**; or
- B. In the performance of **your work** subject to such **written contract**, but only with respect to **bodily injury** or **property damage** included in the **products-completed operations hazard**, and only if:
 - 1. The **written contract** requires you to provide the additional insured such coverage; and
 - 2. This **Coverage Part** provides such coverage.

- III.** But if the **written contract** requires:

- A. Additional insured coverage under the 11-85 edition, 10-93 edition, or 10-01 edition of CG2010, or under the 10-01 edition of CG2037; or
- B. Additional insured coverage with "arising out of" language;

then paragraph I. above is deleted in its entirety and replaced by the following:

WHO IS AN INSURED is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **Coverage Part**, but only with respect to liability for **bodily injury, property damage** or **personal and advertising injury** arising out of **your work** that is subject to such **written contract**.

20020003170182105316495



CNA75079XX (3-22)

Page 1 of 3

The Continental Insurance Co.

Insured Name: HADRONEX, INC.

Policy No: 7018210531
Endorsement No: 11
Effective Date: 02/02/2024



CNA PARAMOUNT

Blanket Additional Insured - Owners, Lessees or Contractors - with Products-Completed Operations Coverage Endorsement

- IV. But if the **written contract** requires additional insured coverage to the greatest extent permissible by law, then paragraph I. above is deleted in its entirety and replaced by the following:

WHO IS AN INSURED is amended to include as an **Insured** any person or organization whom you are required by **written contract** to add as an additional insured on this **Coverage Part**, but only with respect to liability for **bodily injury, property damage or personal and advertising injury** arising out of **your work** that is subject to such **written contract**.

- V. The insurance granted by this endorsement to the additional insured does not apply to **bodily injury, property damage, or personal and advertising injury** arising out of:
- A. The rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
 - 1. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
 - 2. Supervisory, inspection, architectural or engineering activities; or
 - B. Any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this **Coverage Part**.
- VI. Under **COMMERCIAL GENERAL LIABILITY CONDITIONS**, the Condition entitled **Other Insurance** is amended to add the following, which supersedes any provision to the contrary in this Condition or elsewhere in this **Coverage Part**:

Primary and Noncontributory Insurance

With respect to other insurance available to the additional insured under which the additional insured is a named insured, this insurance is primary to and will not seek contribution from such other insurance, provided that a **written contract** requires the insurance provided by this policy to be:

- 1. Primary and non-contributing with other insurance available to the additional insured; or
- 2. Primary and to not seek contribution from any other insurance available to the additional insured.

But except as specified above, this insurance will be excess of all other insurance available to the additional insured.

- VII. Solely with respect to the insurance granted by this endorsement, the section entitled **COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

The Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended with the addition of the following:

Any additional insured pursuant to this endorsement will as soon as practicable:

- 1. Give the Insurer written notice of any **claim**, or any **occurrence** or offense which may result in a **claim**;
- 2. Send the Insurer copies of all legal papers received, and otherwise cooperate with the Insurer in the investigation, defense, or settlement of the **claim**; and
- 3. Make available any other insurance, and endeavor to tender the defense and indemnity of any **claim** to any other insurer or self-insurer, whose policy or program applies to a loss that the Insurer covers under this **coverage part**. However, if the **written contract** requires this insurance to be primary and non-contributory, this paragraph 3. does not apply to other insurance under which the additional insured is a named insured.

The Insurer has no duty to defend or indemnify an additional insured under this endorsement until the Insurer receives written notice of a **claim** from the additional insured.



CNA PARAMOUNT

**Blanket Additional Insured - Owners, Lessees or Contractors -
with Products-Completed Operations Coverage Endorsement**

VIII. Solely with respect to the insurance granted by this endorsement, the section entitled **DEFINITIONS** is amended to add the following definition:

Written contract means a written contract or written agreement that requires you to make a person or organization an additional insured on this **Coverage Part**, provided the contract or agreement:

- A. Was executed prior to:
 - 1. The **bodily injury** or **property damage**; or
 - 2. The offense that caused the **personal and advertising injury**;
 for which the additional insured seeks coverage; and
- B. Is still in effect at the time of the **bodily injury** or **property damage occurrence** or **personal and advertising injury** offense.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

20020003170182105316496



CNA75079XX (3-22)

Page 3 of 3

The Continental Insurance Co.

Insured Name: HADRONEX, INC.

Policy No: 7018210531
 Endorsement No: 11
 Effective Date: 02/02/2024

**ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY**

It is understood and agreed that this endorsement amends the **BUSINESS AUTO COVERAGE FORM** as follows:

SCHEDULE**Name of Additional Insured Person Or Organization**

ANY PERSON OR ORGANIZATION THAT YOU ARE REQUIRED BY WRITTEN CONTRACT OR WRITTEN AGREEMENT TO NAME AS AN ADDITIONAL INSURED.

1. In conformance with paragraph **A.1.c.** of **Who Is An Insured** of Section **II - LIABILITY COVERAGE**, the person or organization scheduled above is an insured under this policy.
2. The insurance afforded to the additional insured under this policy will apply on a primary and non-contributory basis if you have committed it to be so in a written contract or written agreement executed prior to the date of the **"accident"** for which the additional insured seeks coverage under this policy.

All other terms and conditions of the policy remain unchanged

This endorsement, which forms a part of and is for attachment to the policy issued by the designated Insurers, takes effect on the Policy Effective date of said policy at the hour stated in said policy, unless another effective date (the Endorsement Effective Date) is shown below, and expires concurrently with said policy.

Form No: CNA71527XX (10-2012)

Endorsement Effective Date:

Endorsement Expiration Date:

Endorsement No: 25; Page: 1 of 1

Policy No: BUA 7018210545

Policy Effective Date: 02/02/2024

Policy Page: 123 of 150

Underwriting Company: Continental Casualty Company, 151 N Franklin St, Chicago, IL 60606

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

BUSINESS AUTO COVERAGE FORM

MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: HADRONEX, INC.

Endorsement Effective Date: 02/02/2024

SCHEDULE**Name(s) Of Person(s) Or Organization(s):**

ANY PERSON OR ORGANIZATION FOR WHOM OR WHICH YOU ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT TO OBTAIN THIS WAIVER FROM US. YOU MUST AGREE TO THAT REQUIREMENT PRIOR TO LOSS.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "**accident**" or the "**loss**" under a contract with that person or organization.

Form No: CA 04 44 10 13

Endorsement Effective Date:

Endorsement Expiration Date:

Endorsement No: 8; Page: 1 of 1

Underwriting Company: Continental Casualty Company, 151 N Franklin St, Chicago, IL 60606

Policy No: BUA 7018210545

Policy Effective Date: 02/02/2024

Policy Page: 73 of 150

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 03 13
(Ed. 04-84)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any person or organization as required by written contract

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective	4/1/2024	Policy No.	TWC4416955	Endorsement No.	0
Insured	Hadronex Inc			Premium \$	45,947
Insurance Company	Technology Insurance Company, Inc.				

Countersigned by _____

WC 00 03 13
(Ed. 04-84)



CITY OF MANHATTAN BEACH PUBLIC WORKS

3621 Bell Avenue, Manhattan Beach, CA 90266

(310) 802-5313

March 4, 2025

Badger Meter, Inc.
4545 W. Brown Deer Rd.
Milwaukee, WI 53223
ATTN: Corey T. Williams

Re: Letter Agreement between the City of Manhattan Beach and Badger Meter, Inc., a Wisconsin corporation, as Assignee of and Successor in Interest to Hadronex, Inc. dba SmartCover Systems, a Delaware corporation, under the Agreement entitled "City of Manhattan Beach General Services Agreement with Hadronex, Inc. dba SmartCover Systems" dated October 17, 2024.

Dear Mr. Williams:

This Letter Agreement shall serve as an amendment to the Agreement described in the above caption (hereinafter "2024 Agreement"), which was entered into between the City of Manhattan Beach ("City") and Hadronex, Inc. dba SmartCover Systems, a Delaware corporation ("Hadronex") for the installation, maintenance and technical support services for the project identified as "Sewer Smart Covers" as described in therein. A true and correct copy of the 2024 Agreement is attached hereto as Exhibit "A" and incorporated herein by this reference.

Effective January 31, 2024, Badger Meter, Inc., a Wisconsin corporation ("Badger Meter") acquired Hadronex, Inc. dba SmartCover Systems, and as of that date is the successor in interest and assignee of all of Hadronex's rights, benefits, obligations and interests in the 2024 Agreement. This Letter Agreement serves as Badger Meter's agreement to abide by all provisions and terms of the 2024 Agreement.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Badger Meter (individually a "Party" and collectively "Parties") agree as follows:

1. This Letter Agreement is hereby effective ("Effective Date") upon the date the City Manager executes this Letter Agreement.
2. Badger Meter represents and warrants to City that Badger Meter has accepted the assignment of the 2024 Agreement from Hadronex, Inc. dba SmartCover Systems

("Hadronex"), that Badger is the successor in interest to Hadronex, and that Contractor has assumed all of the rights, benefits, obligations and interests of Hadronex under the 2024 Agreement, and that Badger Meter also does business under the name of SmartCover Systems. Badger Meter further warrants and agrees that Badger Meter shall comply with all terms, provisions and conditions of the 2024 Agreement, whether or not such terms, provisions and conditions are expressly set forth in this Letter Agreement.

3. Badger Meter represents and warrants that as of the effective date of this Letter Agreement, Badger Meter is not aware of any act or failure to act by any party that would result in Hadronex and/or Badger Meter not being in full compliance with the terms, conditions and provisions of the 2024 Agreement.
4. Pursuant to Section 35 of the 2024 Agreement, Badger Meter hereby notifies City that the address for notices to Badger Meter shall be as follows:

Badger Meter, Inc.
Hadronex, Inc. dba SmartCover Systems
2110 Enterprise Street
Escondido, California 92029

5. This Letter Agreement and the 2024 Agreement (Exhibit "A"), are an integrated agreement which represents the entire understanding of the Parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Since the Parties or their agents, have participated fully in the preparation of this Letter Agreement, the language of this Letter Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.
6. Except as expressly set forth in this Letter Agreement, all terms and conditions of the 2024 Agreement shall remain unchanged and in full force and effect.
7. The persons executing this Letter Agreement on behalf of Badger Meter each warrant that he or she is each duly authorized to execute this Letter Agreement on behalf of Contractor and that by his or her execution, Contractor is formally bound to the provisions of this Letter Agreement including the 2024 Agreement (Exhibit "A"), attached hereto.

Please indicate your acceptance of this Letter Agreement by signing and dating on the lines indicated below, and return the original to the City at your earliest convenience.

ACCEPTED AND AGREED.

City:
CITY OF MANHATTAN BEACH, a California
municipal corporation

BADGER METER, INC., a Wisconsin
corporation

Signed by:
By: Talyn Mirzakhanian, City Manager
E8FEFD407389443...

Name: Talyn Mirzakhanian

Title: City Manager

Date: 3/5/2025

Signed by:
By: Corey T. Williams
846B5F25A4514AB...

Name: Corey T. Williams

Title: General Manager

Date: 3/4/2025

ATTEST:

Signed by:
By: Liza Tamura, City Clerk
973D2FFB9D8446B...

Name: Liza Tamura

Title: City Clerk

Date: 3/5/2025

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

APPROVED AS TO FORM:

Signed by:
By: Quinn M. Barrow, City Attorney
C24C8E283545445...

Name: Quinn M. Barrow

Title: City Attorney

Date: 3/5/2025

Enclosure:

Exhibit "A", City of Manhattan Beach General Services Agreement with Hadronex, Inc. dba SmartCover Systems" dated October 17, 2024.

EXHIBIT A

Scope of Work

The Contractor will provide and install: Seven (7) new Smart Covers for seven (7) sewer manholes including full installation, parts and battery warranty, and technical support.

The Contractor will also provide: technical support, Parts, and battery warranty for the existing thirteen (13) units.

Additional services include:

- System Installation by a local, certified field service technician
- Initial Website set up and in-person website training will be provided by a SmartCover Systems representative
- Applications engineering support provided for training and website assistance as requested



CITY OF MANHATTAN BEACH PUBLIC WORKS

3621 Bell Avenue, Manhattan Beach, CA 90266

(310) 802-5313

March 4, 2025

Badger Meter, Inc.
4545 W. Brown Deer Rd.
Milwaukee, WI 53223
ATTN: Corey T. Williams

Re: Letter Agreement between the City of Manhattan Beach and Badger Meter, Inc., a Wisconsin corporation, as Assignee of and Successor in Interest to Hadronex, Inc. dba SmartCover Systems, a Delaware corporation, under the Agreement entitled "City of Manhattan Beach General Services Agreement with Hadronex, Inc. dba SmartCover Systems" dated October 17, 2024.

Dear Mr. Williams:

This Letter Agreement shall serve as an amendment to the Agreement described in the above caption (hereinafter "2024 Agreement"), which was entered into between the City of Manhattan Beach ("City") and Hadronex, Inc. dba SmartCover Systems, a Delaware corporation ("Hadronex") for the installation, maintenance and technical support services for the project identified as "Sewer Smart Covers" as described in therein. A true and correct copy of the 2024 Agreement is attached hereto as Exhibit "A" and incorporated herein by this reference.

Effective January 31, 2024, Badger Meter, Inc., a Wisconsin corporation ("Badger Meter") acquired Hadronex, Inc. dba SmartCover Systems, and as of that date is the successor in interest and assignee of all of Hadronex's rights, benefits, obligations and interests in the 2024 Agreement. This Letter Agreement serves as Badger Meter's agreement to abide by all provisions and terms of the 2024 Agreement.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Badger Meter (individually a "Party" and collectively "Parties") agree as follows:

1. This Letter Agreement is hereby effective ("Effective Date") upon the date the City Manager executes this Letter Agreement.
2. Badger Meter represents and warrants to City that Badger Meter has accepted the assignment of the 2024 Agreement from Hadronex, Inc. dba SmartCover Systems

("Hadronex"), that Badger is the successor in interest to Hadronex, and that Contractor has assumed all of the rights, benefits, obligations and interests of Hadronex under the 2024 Agreement, and that Badger Meter also does business under the name of SmartCover Systems. Badger Meter further warrants and agrees that Badger Meter shall comply with all terms, provisions and conditions of the 2024 Agreement, whether or not such terms, provisions and conditions are expressly set forth in this Letter Agreement.

3. Badger Meter represents and warrants that as of the effective date of this Letter Agreement, Badger Meter is not aware of any act or failure to act by any party that would result in Hadronex and/or Badger Meter not being in full compliance with the terms, conditions and provisions of the 2024 Agreement.
4. Pursuant to Section 35 of the 2024 Agreement, Badger Meter hereby notifies City that the address for notices to Badger Meter shall be as follows:

Badger Meter, Inc.
Hadronex, Inc. dba SmartCover Systems
2110 Enterprise Street
Escondido, California 92029

5. This Letter Agreement and the 2024 Agreement (Exhibit "A"), are an integrated agreement which represents the entire understanding of the Parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. Since the Parties or their agents, have participated fully in the preparation of this Letter Agreement, the language of this Letter Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.
6. Except as expressly set forth in this Letter Agreement, all terms and conditions of the 2024 Agreement shall remain unchanged and in full force and effect.
7. The persons executing this Letter Agreement on behalf of Badger Meter each warrant that he or she is each duly authorized to execute this Letter Agreement on behalf of Contractor and that by his or her execution, Contractor is formally bound to the provisions of this Letter Agreement including the 2024 Agreement (Exhibit "A"), attached hereto.

Please indicate your acceptance of this Letter Agreement by signing and dating on the lines indicated below, and return the original to the City at your earliest convenience.

ACCEPTED AND AGREED.

City:
CITY OF MANHATTAN BEACH, a California
municipal corporation

BADGER METER, INC., a Wisconsin
corporation

Signed by:
By: Talyn Mirzakhanian, City Manager
E8FEFD407389443...

Name: Talyn Mirzakhanian

Title: City Manager

Date: 3/5/2025

Signed by:
By: Corey T. Williams
846B5F25A4514AB...

Name: Corey T. Williams

Title: General Manager

Date: 3/4/2025

ATTEST:

Signed by:
By: Liza Tamura, City Clerk
973D2FFB9D8446B...

Name: Liza Tamura

Title: City Clerk

Date: 3/5/2025

**PROOF OF AUTHORITY TO BIND
CONTRACTING PARTY REQUIRED**

APPROVED AS TO FORM:

Signed by:
By: Quinn M. Barrow, City Attorney
C24C8E283545445...

Name: Quinn M. Barrow

Title: City Attorney

Date: 3/5/2025

Enclosure:

Exhibit "A", City of Manhattan Beach General Services Agreement with Hadronex, Inc. dba SmartCover Systems" dated October 17, 2024.

EXHIBIT A

Scope of Work

The Contractor will provide and install: Seven (7) new Smart Covers for seven (7) sewer manholes including full installation, parts and battery warranty, and technical support.

The Contractor will also provide: technical support, Parts, and battery warranty for the existing thirteen (13) units.

Additional services include:

- System Installation by a local, certified field service technician
- Initial Website set up and in-person website training will be provided by a SmartCover Systems representative
- Applications engineering support provided for training and website assistance as requested