

AMENDMENT NO. 1 TO THE GENERAL SERVICES AGREEMENT BETWEEN
THE CITY OF MANHATTAN BEACH AND HADRONEX, INC.

This First Amendment ("Amendment No. 1") to that certain agreement by and between the City of Manhattan Beach, a California municipal corporation ("City") and Hadronex, Inc. dba SmartCover Systems, a Delaware corporation ("Contractor") (collectively, the "Parties") is hereby entered into as of September 21, 2021 ("Effective Date").

RECITALS

A. On July 1, 2019, the City and Contractor entered into an agreement for general services for the Contractor to 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 SmartCovers ("Agreement");

B. The Parties now desire to amend the Agreement to extend the term, and update the scope of work and fees to be paid to the Contractor by the City.

NOW, THEREFORE, in consideration of the Parties' performance of the promises, covenants, and conditions stated herein, the Parties hereby agree as follows:

Section 1. Section 3 of the Agreement is hereby revised to extend the term of the Agreement through December 31, 2024, unless sooner terminated as provided in Section 12 of the Agreement.

Section 2. Section 7.A of the Agreement is hereby revised to state that the Maximum Compensation to be paid to the Consultant by the City shall not exceed \$75,767.99. This total amount includes the remaining balance of \$16,161.79 that covers year three of the original Agreement.

Section 3. **Exhibit A** (Scope of Work) and **Exhibit B** (6-19-2019 - Contractor's Proposal) of the Agreement is hereby replaced by the attached **Exhibit A** of this Amendment No. 1 to update the fees and scope of work.

Section 4. Except as specifically amended by this Amendment No. 1, all other provisions of the Agreement shall remain in full force and effect.

IN WITNESS THEREOF, the Parties hereto have executed this Amendment No. 1 on the day and year first shown above.

[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

By: _____
Name: Bruce Moe
Title: City Manager

DocuSigned by:
Corey Williams 9/21/2021
By: _____
Name: Corey Williams
Title: CEO

ATTEST:

By: _____
Name: Liza Tamura
Title: City Clerk

APPROVED AS TO FORM:

DocuSigned by:
Quinn Barrow 9/21/2021
By: _____
Name: Quinn M. Barrow
Title: City Attorney

APPROVED AS TO FISCAL IMPACT:

DocuSigned by:
Steve S. Charelian 9/21/2021
By: _____
Name: Steve S. Charelian
Title: Finance Director

APPROVED AS TO CONTENT:

DocuSigned by:
Erick Lee 9/21/2021
By: _____
Name: Erick Lee
Title: Director of Public Works

EXHIBIT A

Approved Fee Schedule & Updated Scope of Work

The Contractor will provide and install new SmartCovers for six (6) sewer manholes. The contractor will also provide technical support and maintenance for the seven (7) SmartCovers that have already been installed for a total of thirteen (13) units. The SmartCover monitoring system is completely self contained, turn-key solution developed specifically for the water and wastewater industry. Smart Covers have the capability to detect sources of I&I, guard against and prevent sewer spills by assessing water level and water flow.

Solution includes:

- Remote Sensing System located at each monitoring site
- Advanced Iridium Satellite Communications
- Data Storage and Management
- Cloud-based user software with 24/7 browser access
- Full warranty support for all parts for the entire agreement period

Data Sources SmartCover Systems provides additional data sources including:

- SmartRain™: Local radar data from NOAA. One SmartRain per Remote Sensing System
- StreamWatch™: Local stream and river data from USGS
- SmartTide™: Local tidal data from NOAA
- SmartFLOE®: Flow Estimation

SmartCover Systems provides full installation, maintenance, and technical support throughout the term of the agreement:

- System Installation includes 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

Proposal Summary

Part Number	Description	7 Systems
CP-H-3	<p>Overview SmartCover is a complete end-to-end solution including:</p> <ul style="list-style-type: none"> • Remote Sensing System located at each monitoring site • Advanced Iridium Satellite Communications • Data Storage and Management • Cloud-based user software with 24/7 browser access • Full warranty support for all parts for the entire agreement period <p>Data Sources SmartCover Systems provides additional data sources including:</p> <ul style="list-style-type: none"> • SmartRain™: Local radar data from NOAA. One SmartRain per Remote Sensing System • StreamWatch™: Local stream and river data from USGS. • SmartTide™: Local tidal data from NOAA • SmartFLOE®: Flow Estimation <p>Installation and Ongoing Support SmartCover Systems provides full installation, maintenance, and technical support throughout the agreement:</p> <ul style="list-style-type: none"> • System Installation includes by a local, certified field service technician. Note: The City provides traffic control. • 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 	

Year 2

Part Number	Service Description details	Price (Each)	7 Systems
CP-H-3	Comprehensive Monitoring Service Program	\$2,220	\$15,540.00
CA Tax	Tax will be charged for hardware portion only at the rate of: 9.5% (City of Manhattan Beach)	NA	\$621.79
Total			\$16,161.79

Proposal Summary

Description
<p>Overview</p> <p>SmartCover is a complete end-to-end solution including:</p> <ul style="list-style-type: none"> • Remote Sensing System located at each monitoring site • SmartFLOE (flow estimation) can be utilized at sites that are suitable throughout the 3 Years • SmartRain sites are included throughout the 3 Years (up to 3 SmartRains) • Advanced Iridium Satellite Communications • Data Storage and Management • Cloud-based user software with 24/7 browser access • Full warranty support for all parts for the entire agreement period <p>Installation and Ongoing Support</p> <p>SmartCover Systems provides full installation, maintenance, and technical support throughout the agreement:</p> <ul style="list-style-type: none"> • System Installation includes by a local, certified field service technician. Note: The City provides traffic control. • Initial Website set up and in-person website training will be provided by a SmartCover Systems representative

Year 1

Part Number	Service Description details	Price (Each)	6 Systems
CP-H-3	Comprehensive Monitoring Service Program	\$2,220	\$13,320
Installation	Labor Installation of SmartCover® Systems™ by Trained SmartCover® Systems™ Field Tech	\$300	\$1,800
CA Tax	Tax will be charged for hardware portion only at the rate of: 9.5% (City of Manhattan Beach)	NA	\$1,265.40
Total			\$16,385.40

Year 2

Part Number	Service Description details	Price (Each)	6 Systems
CP-H-3	Comprehensive Monitoring Service Program	\$2,220	\$13,320
CA Tax	Tax will be charged for hardware portion only at the rate of: 9.5% (City of Manhattan Beach) - Tax Subject To Change	NA	\$1,265.40
Total			\$14,585.40

Year 3

Part Number	Service Description details	Price (Each)	6 Systems
CP-H-3	Comprehensive Monitoring Service Program	\$2,220	\$13,320
CA Tax	Tax will be charged for hardware portion only at the rate of: 9.5% (City of Manhattan Beach) – Tax Subject To Change	NA	\$1,265.40
Total			\$14,585.40

3 Year Total - \$45,556.20

Above Pricing Assumes These Conditions:

- There are discount structures at 11-20 units, and 20+ units
- CP-H-3 pricing above is equivalent to \$185 a unit/month
- **Labor Is Not Included Beyond Installation**

Payment Terms

- Paid annually, at the beginning of each year
- After the year 3, the customer owns the hardware.
- A Comprehensive Monitoring Service Program is available for years 4 and beyond at a lower rate than the first 3 years.

DELIVERY

- Standard: (4-6) weeks upon receipt of a Purchase Order and with receipt of complete engineering and site information from the customer as requested.
- All customers will be notified of the shipment date upon Order Acknowledgement.
- Actual availability may vary depending on total demand.
- The "standard (4-6) weeks" is not a guarantee but a good faith estimate. It is strongly recommended that an order be placed as early as possible. Reasonable efforts will be made to provide earlier delivery if requested.

SmartCover Systems, Inc.
 2110 Enterprise Street
 Escondido, CA 92029
 Phone: 760-291-1980
 Fax: 760-291-1982



Remit PO to orders@smartcoversystems.com or
 return this quote signed with PO number.

Renewal Quotation

Bill To:		Date		P.O. No.	Quote Number
City of Manhattan Beach 3621 Bell Ave. Manhattan Beach CA 92658		8/13/2021			5106
Item	Description	Qty	Rate	Total	
	1 Year Renewal Option for 7 systems. MHTB-REN-0821				
	01/01/2023-12/31/2023				
ASM-SC1R	Renewal: SmartCover® - REQUIRED	7	377.00	2,639.00	
PW-5C1R	Renewal: Power Warranty: - PARTS ONLY	7	199.00	1,393.00	
EW-SC1R	Renewal: SmartCover® System™ Warranty- Covers all systems parts except PowerPack™ - PARTS ONLY.	7	399.00	2,793.00	
	SIN Site				
	6736 MH 20-46 28th & Manhattan				
	6742 MH 23-49 Seaview and Strand				
	6741 MH 14-12 13th & Morningside				
	6740 MH 7-37 Maple & Rosecrans				
	6739 MH 8-17 3109 Pine				
	6738 MH 17-18A Bell Sewer Lift				
	6737 MH 5-10 Voorhees Sewer Lift				
ASM-RD-1R	Renewal: SmartRain™ - Continued rain data service for one site.	2	100.00	200.00	
	SIN Site				
	7089 [SMARTRAIN] South				
	7088 [SMARTRAIN] North				
	Onsite labor is available on per site basis.				
Terms and Conditions: 1. Payment due on or before renewal date expiration. 2. A service charge of 1.5% per month may be added to balances unpaid 30 days after renewal date. 3. Accounts with past due balances may be subject to service suspension. 4. Services may be subject to prevailing tax. 5. Quote pricing valid for 30 days.					
		Subtotal		\$7,025.00	
We appreciate your business!		Sales Tax (10.25%)		\$0.00	
Signature for Approval _____		Total		\$7,025.00	

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		Date	P.O. No.	Quote Number	
		8/13/2021		5107	
Item	Description	Qty	Rate	Total	
	1 Year Renewal Option for 7 systems. MHTB-REN-0821				
	01/01/2024-12/31/2024				
ASM-SC1R	Renewal: SmartCover® – REQUIRED	7	377.00	2,639.00	
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			Subtotal	\$7,025.00	
We appreciate your business!			Sales Tax (10.25%)	\$0.00	
Signature for Approval _____			Total	\$7,025.00	