

**AGREEMENT WITH HCI SYSTEMS FOR FIRE ALARM SYSTEM DEVICES
UPGRADE, TESTING, INSPECTION AND REPAIR SERVICES AT THE SANTA ANA
POLICE DEPARTMENT AND THE SANTA ANA JAIL**

THIS AGREEMENT is made and entered into this 2nd day of May, 2023 by and between HCI Systems, Inc. (“Contractor”), and the City of Santa Ana, a charter city and municipal corporation organized and existing under the Constitution and laws of the State of California (“City”).

RECITALS

- A. In October 2019, the City issued Request for Proposal (RFP) No. 19-116, by which it sought a contractor to provide and install upgraded fire alarm panels at the Santa Ana Jail.
- B. HCI Systems, Inc. (HCI) was the only Contractor to submit a proposal to provide the services described in the scope of work that was included in RFP No. 19-116.
- C. City Council approved an agreement with HCI Systems, Inc. to remove the existing Edwards IRC-3 addressable Network panels and components and furnish and install new EST3 panels, programming services of the new devices, and the installation of a FireWorks System Touch Screen for Monitoring, which was the first phase of the project.
- D. The City proposes to utilize the same vendor to continue the second phase for the fire alarm system upgrade to include replacement of all initiating devices in the Police Administration and Jail buildings (smoke detectors, duct detectors, manual pull stations, etc.).
- C. In undertaking the performance of this Agreement, Contractor represents that it is knowledgeable in its field and that any services performed by Contractor under this Agreement will be performed in compliance with such standards as may reasonably be expected from a professional contracting firm in the field.

NOW THEREFORE, in consideration of the mutual and respective promises, and subject to the terms and conditions hereinafter set forth, the parties agree as follows:

1. SCOPE OF SERVICES

Contractor shall perform the services for phase two of the project that were described in the Scope of Services as further delineated in Contractor’s proposals, attached as Exhibit A and incorporated in full.

2. COMPENSATION

- a. City agrees to pay, and Contractor agrees to accept as total payment for its services under this Agreement, the rates and charges identified in Exhibit B. The total sum to be expended under the term of this Agreement, including any extension periods, shall not exceed \$877,792. This sum is comprised of the following services and corresponding charges during the term of this Agreement: (1) \$729,972 for the Fire Alarm System Devices Upgrade Project at the Santa Ana Police Department and the Santa Ana Jail; (2) \$60,980 for annual inspection and testing services; (3) \$46,840 for the five-year fire sprinkler inspection and repair services; and (4) \$40,000 contingency for any necessary repairs or additional work.
- b. City shall compensate Contractor for services rendered since January 1, 2023. Not to exceed fifteen thousand dollars (\$15,000.00).
- c. Payment by City shall be made within forty-five (45) days following receipt of proper invoice evidencing work performed, subject to City accounting procedures. Payment need not be made for work which fails to meet the standards of performance set forth in the Recitals and Scope of Work, which may reasonably be expected by City.

3. TERM

This Agreement shall commence the date first written above and terminate on June 30, 2026, unless terminated earlier in accordance with Section 18, below.

4. PREVAILING WAGES

Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the services being performed are part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

5. INDEPENDENT CONTRACTOR

Contractor shall, during the entire term of this Agreement, be construed to be an independent contractor and not an employee of the City. This Agreement is not intended nor shall it be construed to create an employer-employee relationship, a joint venture relationship, or to allow the City to exercise discretion or control over the professional manner in which Contractor performs the services which are the subject matter of this Agreement; however, the services to be

provided by Contractor shall be provided in a manner consistent with all applicable standards and regulations governing such services. Contractor shall pay all salaries and wages, employer's social security taxes, unemployment insurance and similar taxes relating to employees and shall be responsible for all applicable withholding taxes.

6. OWNERSHIP OF MATERIALS

This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents & Data"). Contractor shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents & Data. Contractor makes no such representation and warranty in regard to Documents & Data which were provided to Contractor by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7. INSURANCE

Prior to undertaking performance of work under this Agreement, Contractor shall maintain and shall require its subcontractors, if any, to obtain and maintain insurance as described below:

- a. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- b. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
- c. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease. **(Not required if Contractor provides written verification it has no employees.)**
- d. **Professional Liability** (Errors and Omissions) Insurance appropriate to the Contractor's profession, with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate.

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

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **Contractor's insurance coverage shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the City.**

Waiver of Subrogation

Contractor hereby grants to City a waiver of any right to subrogation which any insurer of said Contractor may acquire against the City by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. The City may require the Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Claims Made Policies

If any of the required policies provide coverage on a claims-made basis:

- a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- b. Insurance must be maintained and evidence of insurance must be provided **for at least five (5) years after completion of the contract of work.**
- c. If coverage is canceled or non-renewed, and not **replaced with another claims-made policy form with a Retroactive Date** prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of **five (5)** years after completion of contract work.

Verification of Coverage

Contractor shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

8. INDEMNIFICATION

Contractor agrees to defend, and shall indemnify and hold harmless the City, its officers, agents, employees, contractors, special counsel, and representatives from liability: (1) for personal injury, damages, just compensation, restitution, judicial or equitable relief arising out of claims for personal injury, including death, and claims for property damage, which may arise from the negligent operations of the Contractor or its subcontractors, agents, employees, or other persons acting on their behalf which relates to the services described in section 1 of this Agreement; and (2) from any claim that personal injury, damages, just compensation, restitution, judicial or equitable relief is due by reason of the terms of or effects arising from this Agreement. This indemnity and hold harmless agreement applies to all claims for damages, just compensation, restitution, judicial or equitable relief suffered, or alleged to have been suffered, by reason of the events referred to in this Section or by reason of the terms of, or effects, arising from this Agreement. The Contractor further agrees to indemnify, hold harmless, and pay all costs for the defense of the City, including fees and costs for special counsel to be selected by the City, regarding any action by a third party challenging the validity of this Agreement, or asserting that

personal injury, damages, just compensation, restitution, judicial or equitable relief due to personal or property rights arises by reason of the terms of, or effects arising from this Agreement. City may make all reasonable decisions with respect to its representation in any legal proceeding. Notwithstanding the foregoing, to the extent Contractor's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor.

9. INTELLECTUAL PROPERTY INDEMNIFICATION

Contractor shall defend, indemnify and hold harmless the City, its officers, agents, representatives, and employees against any and all liability, including costs, and attorney's fees, for infringement of any United States' letters patent, trademark, or copyright contained in the work product or documents provided by Contractor to the City pursuant to this Agreement.

10. RECORDS

Contractor shall keep records and invoices in connection with the work to be performed under this Agreement. Contractor shall maintain complete and accurate records with respect to the costs incurred under this Agreement and any services, expenditures, and disbursements charged to the City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. All such records and invoices shall be clearly identifiable. Contractor shall allow a representative of the City to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement during regular business hours. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement for a period of three (3) years from the date of final payment to Contractor under this Agreement.

11. CONFIDENTIALITY

If Contractor receives from the City information which due to the nature of such information is reasonably understood to be confidential and/or proprietary, Contractor agrees that it shall not use or disclose such information except in the performance of this Agreement, and further agrees to exercise the same degree of care it uses to protect its own information of like importance, but in no event less than reasonable care. "Confidential Information" shall include all nonpublic information. Confidential information includes not only written information, but also information transferred orally, visually, electronically, or by other means. Confidential information disclosed to either party by any subsidiary and/or agent of the other party is covered by this Agreement. The foregoing obligations of non-use and nondisclosure shall not apply to any information that (a) has been disclosed in publicly available sources; (b) is, through no fault of the Contractor disclosed in a publicly available source; (c) is in rightful possession of the Contractor without an obligation of confidentiality; (d) is required to be disclosed by operation of law; or (e) is independently developed by the Contractor without reference to information disclosed by the City.

12. CONFLICT OF INTEREST CLAUSE

Contractor covenants that it presently has no interest and shall not have interests, direct or indirect, which would conflict in any manner with performance of services specified under this Agreement.

13. BACKGROUND CHECK REQUIREMENTS

Contractor shall not assign any employee, agent, subcontractor or volunteer to provide services pursuant to this Agreement, if that employee, agent, subcontractor or volunteer is required to register as a sex offender under California Penal Code Section 290 et seq., has a conviction for any crime of moral turpitude, has a conviction for a violent felony as defined in California Penal Code Section 667.5(c), or has a conviction for a serious felony as defined in California Penal Code Section 1192.7(c). Disqualifying convictions include but are not limited to, violations of California Penal Code Sections 37, 128, 136.1 with Section 186.22, 187, 190-190.4 and 192(a), 205, 206, 207-209.5, 211, 212, 212.5, 213, 214, 215, 218-219, 220, 236.1(b) or 236.1(c), 243.4, 261, 261.5, 273.5, 262, 264.1, 266, 266c, 266h, 266i, 266j, 267, 269, 272, 273a, 273ab, 273d, 285, 286, 288, 288a, 288.2, 288.3, 288.4, 288.5, 288.7, 289, 290, 311.1, 311.2, 311.3, 311.4, 311.10, 311.11, 314, 347(a), 368, 417(b), 451(a), 518 with 186.22, 647.6, 653f(c), 664 and 187, 667.5(c), 18745, 18750, or 18755, 12022.53, 11418(b)(1) or (b)(2); Business and Professions Code Section 729. Failure to comply with this Section shall be grounds for immediate termination of this Agreement. The Santa Ana Police Department reserves the right to run a records check and/or Live Scan on Contractor's employees working in its facilities.

14. NOTICE

Any notice, tender, demand, delivery, or other communication pursuant to this Agreement shall be in writing and shall be deemed to be properly given if delivered in person or mailed by first class or certified mail, postage prepaid, or sent by fax or other telegraphic communication in the manner provided in this Section, to the following persons:

To City: Clerk of the City Council
City of Santa Ana
20 Civic Center Plaza (M-30)
P.O. Box 1988
Santa Ana, CA 92702-1988

Police Administrative Budget Manager
Santa Ana Police Department
60 Civic Center Plaza (M-97)
Santa Ana, CA 92702

To Contractor: HCI Systems, Inc.
1354 South Parkside Place
Ontario, CA 91761
Attn: Dario Canizalez, CFO

A party may change its address by giving notice in writing to the other party. Thereafter, any communication shall be addressed and transmitted to the new address. If sent by mail, communication shall be effective or deemed to have been given three (3) days after it has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above. If sent by fax, communication shall be effective or deemed to have been given twenty-four (24) hours after the time set forth on the transmission report issued by the transmitting facsimile machine, addressed as set forth above. For purposes of calculating these timeframes, weekends, federal, state, County or City holidays shall be excluded.

15. EXCLUSIVITY AND AMENDMENT

This Agreement represents the complete and exclusive statement between the City and Contractor regarding the subject matter herein, and supersedes any and all other agreements, oral or written, between the parties. In the event of a conflict between the terms of this Agreement and any attachments hereto, the terms of this Agreement shall prevail. This Agreement may not be modified except by written instrument signed by the City and by an authorized representative of Contractor. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions hereof, shall not bind or obligate Contractor or the City. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein.

16. ASSIGNMENT

Inasmuch as this Agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or subcontract any interest herein without the prior written consent of the City and any such assignment, transfer, delegation or subcontract without the City's prior written consent shall be considered null and void. Nothing in this Agreement shall be construed to limit the City's ability to have any of the services which are the subject to this Agreement performed by City personnel or by other Contractors retained by City.

17. WAIVER

No waiver of breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure or right, or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

18. TERMINATION

This Agreement may be terminated by the City upon thirty (30) days written notice of termination. In such event, Contractor shall be entitled to receive and the City shall pay Contractor compensation for all services performed by Contractor prior to receipt of such notice of termination, subject to the following conditions:

- a. As a condition of such payment, the Executive Director may require Contractor to deliver to the City all work product completed as of such date, and in such case such work product shall be the property of the City unless prohibited by law, and Contractor consents to the City's use thereof for such purposes as the City deems appropriate.
- b. Payment need not be made for work which fails to meet the standard of performance specified in the Recitals of this Agreement.

19. NON-DISCRIMINATION

Contractor shall not discriminate because of race, color, creed, relation, sex, marital status, sexual orientation, age, national origin, ancestry, or disability, as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other employment related activities or in connection with any activities under this Agreement. Contractor affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations.

20. JURISDICTION-VENUE

This Agreement has been executed and delivered in the State of California and the validity, interpretation, performance, and enforcement of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. Both parties further agree that Orange County, California, shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

21. PROFESSIONAL LICENSES

Contractor shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws and regulations of the United States, the State of California, the City of Santa Ana and all other governmental agencies. Contractor shall notify the City immediately and in writing of its inability to obtain or maintain such permits, licenses, approvals, waivers, and exemptions. Said inability shall be cause for termination of this Agreement.

22. MISCELLANEOUS PROVISIONS

- a. Each undersigned represents and warrants that its signature herein below has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify City fully, including reasonable costs and attorney's fees, for any injuries or damages to City in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.
- b. All exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

ATTEST:


CITY OF SANTA ANA


JENNIFER L. HALL
Clerk of the Council

KRISTINE RIDGE
City Manager

APPROVED AS TO FORM
SONIA R. CARVALHO
City Attorney

CONTRACTOR

By: 
for LAURA A. ROSSINI
Chief Assistant City Attorney


[Hany Dimitry \(Apr 21, 2023 08:33 PDT\)](#)

HANY DIMITRY
CEO

RECOMMENDED FOR APPROVAL

DAVID VALENTIN
Chief of Police

EXHIBIT A



CA Contractor Lic: 905493

DIR# 1000000046

Santa Ana PD Fire Alarm Upgrade Devices (ADMIN)

60 Civic Center Plaza

Santa Ana, CA. 92701

PROPOSAL FOR FIRE ALARM SYSTEM

CUSTOMER

Paul Bui

Santa Ana PD

60 Civic Center Plaza

Santa Ana, CA. 92701

(714) 240-2534

pbui@santa-ana.org

September 14, 2022

CONTRACTOR

HCI Systems Inc.

Allen Kandel

akandel@hcisystems.net

Direct: 949-933-1356

Office: 909-628-7773



FIRE ALARM PROPOSAL

HCI proposes to install a complete system(s) as described below.

This proposal is based on: DESIGN / BUILD

SCOPE OF WORK

GENERAL INCLUSIONS

This proposal **includes Prevailing Wage labor rates** per specification. **PLA or PSA labor agreements will not be signed.**

Applicable taxes and freight.

This proposal is **valid for (30) days** from the date of this proposal. The Prices quoted herein are subject to increase due to any material and/or labor escalations. A 30 day written notice of an increase shall be provided to the Customer prior to the implementation of any increase.

HCI proposes to replace all initiating devices in the building using new addressable devices. Existing locations will be used and no other modifications will be done as part of this project.

HCI has included the standard one (1) year parts and labor for any device installed as part of this project as well as an additional four (4) years on the parts for a total of five (5) years

GENERAL EXCLUSIONS

Any and all Painting, patching, access hatches, fire or sound caulking and fire stopping.

Any and all existing alarms, supervisory, and troubles on existing panel(s). (It is assumed that any existing panels that will be added to, shall be clear of all off normal events. If panel is not clear at time of additions, no responsibility shall be assumed or taken to fix existing conditions unless and until Customer issues a change order with the extra costs necessary to clear the panel(s).)

FIRE ALARM SCOPE OF WORK

HCI will provide conduit, wire and boxes for parts list below for this project.

This proposal **excludes** plan check, permit and inspection fees per your request



CA Contractor Lic: 905493
DIR# 1000000046

The following is a list of system components to be furnished by **HCI** based on the bid documents and the items listed above:

FIRE ALARM SYSTEM

<u>QTY.</u>	<u>DESCRIPTION</u>
67	MANUAL PULL STATION, INTELLIGENT DOUBLE-ACTION
284	MULTI-CRITERIA SMOKE DETECTOR
2	BEAM DETECTOR, REFLECTIVE 160-330FT W/TEST ST
284	SMOKE/HEAT/CO DETECTOR BASE, INTELLIGENT
17	DUCT DETECTOR, INTELLIGENT
17	DUCT DETECTOR SAMPLE TUBE, 78"
17	REMOTE LED FOR SMOKE/DUCT DETECTOR
2	RISER MONITOR MODULE (PER CIRCUIT)
46	MONITOR MODULE, SINGLE POINT
4	MONITOR MODULE, SINGLE - ELEV\MP\S\BEAM DET MONITOR
15	SIGNAL SYNC MODULE (POWER SUPPLY)
57	CONTROL RELAY - AUXILIARY FUNCTIONS
60	INTERFACE RELAY, 10AMP RATING SPDT 120VAC COIL

FIRE ALARM (NO PLAN CHECK FEES): \$ 247,035.00

General Conditions and Clarifications

Invoicing will be submitted on a monthly basis based on percent of work completed. Payments are due within 30 days after submission of an invoice. Overdue payments shall bear interest at the rate of 1.5% per month from the date on which payment is due until paid.

If any arbitration or action at law or equity shall be brought on account of this Agreement or to enforce or interpret any of its provisions, the prevailing party shall be entitled to recover from the other party its actual attorneys' fees, which shall be made a part of any award or judgment rendered.

This proposal is based on the published project schedule at bid time. Any changes or delays to the project schedule not within the Contractors control will be subject to additional charges.

The liability for any work requested by Customer to be performed, prior to the Contractor obtaining plan check approval, shall be the sole responsibility of Customer/company requesting said work. Such requests must be made in writing.

This proposal includes electronic copies in PDF of submittals and drawings only, unless otherwise specified in specifications. If Customer requires hardcopy of drawings it shall be subject to additional cost.

Any changes to the project beyond the bid documents for any reason whatsoever outside of the Contractor's control, whether caused by Owner revisions or construction modifications, are subject to Change Order.

The Contractor shall have the right to terminate this Agreement for any reason, with or without cause, and at any time upon providing a 30-days written notice to Customer. In such event, the Contractor shall provide a credit to Customer for work not performed and such credit shall be the sole and exclusive remedy to Customer.

By issuing a contract to the Contractor to perform the work proposed herein, Customer hereby agrees that this proposal and all items contained within is made part of and incorporated in said contract issued for the performance of this work.

This proposal is based on the Contractor's standard insurance coverage. Any requests for additional coverage beyond the Contractor's standard limits shall be subject to additional charges unless specifically included above. Copies of Contractor's standard insurance coverage are available upon request.

A bond is not provided for this project. If a bond is required by the Customer, it shall be requested by Customer in writing prior to the issuance of a contract. The additional cost of said bond shall be added to the price quoted herein. **The Contractor's current Bond Rate is 1.5%.**

The Contractor will not accept any deduction or back charge without a valid reasonable written notice to the Contractor. The Contractor must provide written acceptance to the back charge or deduction.



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If Customer requires special wording for Waiver Of Subrogation Certificate, Customer shall request in writing such Certificate from the Contractor and Customer agrees to add and pay \$300 to the proposed cost herein.

The Contractor will not be bound to any labor agreements unless the Contractor independently executes such agreements.

The person executing this Agreement on behalf of Customer represents and warrants that they are authorized to do so by Customer to bind Customer to all terms herein. As a further inducement to the Contractor to enter into this Agreement, the person executing this Agreement agrees to guarantee the performance of Customer herein and to be personally liable for any payments not made by Customer.

The Parties acknowledge that this Agreement is the result of good faith negotiations between the Parties through their respective counsel. Any statute or rule of construction that any ambiguity is to be resolved against the Party that caused such an ambiguity shall not be employed in the interpretation or enforcement of this Agreement.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. In addition, the Parties agree that facsimile and/or electronic signatures shall be acceptable to evidence the Parties' assent to this Agreement and are deemed equivalent to original "wet ink" signatures for all purposes under this Agreement.

If applicable, in order to proceed with design, the Contractor must have a hard copy of all relevant current contract drawings and specifications. CAD files for contract drawings are not acceptable.

Notwithstanding anything to the contrary, HCI shall not be responsible in any way for manufacturer/supplier/supply chain delays for materials.

If applicable, the Contractor shall make every reasonable attempt to obtain a timely plan check. However, the Contractor is in no way responsible for any delays whatsoever due to plan check officials or procedures.

If applicable, the Contractor requires a reasonable amount of time to pretest the entire system including interface with other trades. Failure of other trades to complete their work in a timely manner which causes the Contractor to incur additional expenses to meet the construction schedule will be subject to additional charges.

If applicable, all work (installation, testing and inspections) shall be scheduled during regular business hours only. Any work or inspections scheduled outside regular business hours will be subject to additional charges.

If applicable, the Contractor will be responsible for scheduling system related inspections. System inspections scheduled by others, resulting in additional cost to the Contractor, shall be subject to additional charges.

Company: Paul Bui

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Respectfully Submitted By:

Allen Kandel



CA Contractor Lic: 905493
DIR# 1000000046

Santa Ana PD Fire Alarm Upgrade Devices (Jail)
60 Civic Center Plaza
Santa Ana, CA. 92701

**PROPOSAL FOR
FIRE ALARM SYSTEM**

CUSTOMER

Paul Bui
Santa Ana PD
60 Civic Center Plaza
Santa Ana, CA. 92701
(714) 240-2534
pbui@santa-ana.org

September 14, 2022

CONTRACTOR

HCI Systems Inc.
Allen Kandel
akandel@hcisystems.net
Direct: 949-933-1356
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HCI proposes to replace all initiating devices in the building using new addressable devices. Existing locations will be used and no other modifications will be done as part of this project.

HCI has included the standard one (1) year parts and labor for any device installed as part of this project as well as an additional four (4) years on the parts for a total of five (5) years

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Any and all existing alarms, supervisory, and troubles on existing panel(s). (It is assumed that any existing panels that will be added to, shall be clear of all off normal events. If panel is not clear at time of additions, no responsibility shall be assumed or taken to fix existing conditions unless and until Customer issues a change order with the extra costs necessary to clear the panel(s).)

FIRE ALARM SCOPE OF WORK

HCI will provide conduit, wire and boxes for parts list below for this project.

This proposal **excludes** plan check, permit and inspection fees per your request



CA Contractor Lic: 905493
DIR# 1000000046

The following is a list of system components to be furnished by **HCI** based on the bid documents and the items listed above:

FIRE ALARM SYSTEM

<u>QTY.</u>	<u>DESCRIPTION</u>
27	MANUAL PULL STATION, INTELLIGENT DOUBLE-ACTION
650	MULTI-CRITERIA SMOKE DETECTOR
57	HEAT DETECTOR HEAD, 135/ROR INTELLIGENT
707	SMOKE/HEAT/CO DETECTOR BASE, INTELLIGENT
44	DUCT DETECTOR, INTELLIGENT
44	DUCT DETECTOR SAMPLE TUBE, 78"
44	REMOTE LED FOR SMOKE/DUCT DETECTOR
2	RISER MONITOR MODULE (PER CIRCUIT)
99	MONITOR MODULE, SINGLE POINT
4	MONITOR MODULE, SINGLE - ELEV\MP\S\BEAM DET MONITOR
15	SIGNAL SYNC MODULE (POWER SUPPLY)
57	CONTROL RELAY - AUXILIARY FUNCTIONS
60	INTERFACE RELAY, 10AMP RATING SPDT 120VAC COIL

FIRE ALARM (NO PLAN CHECK FEES): \$ 482,937.00

General Conditions and Clarifications

Invoicing will be submitted on a monthly basis based on percent of work completed. Payments are due within 30 days after submission of an invoice. Overdue payments shall bear interest at the rate of 1.5% per month from the date on which payment is due until paid.

If any arbitration or action at law or equity shall be brought on account of this Agreement or to enforce or interpret any of its provisions, the prevailing party shall be entitled to recover from the other party its actual attorneys' fees, which shall be made a part of any award or judgment rendered.

This proposal is based on the published project schedule at bid time. Any changes or delays to the project schedule not within the Contractors control will be subject to additional charges.

The liability for any work requested by Customer to be performed, prior to the Contractor obtaining plan check approval, shall be the sole responsibility of Customer/company requesting said work. Such requests must be made in writing.

This proposal includes electronic copies in PDF of submittals and drawings only, unless otherwise specified in specifications. If Customer requires hardcopy of drawings it shall be subject to additional cost.

Any changes to the project beyond the bid documents for any reason whatsoever outside of the Contractor's control, whether caused by Owner revisions or construction modifications, are subject to Change Order.

The Contractor shall have the right to terminate this Agreement for any reason, with or without cause, and at any time upon providing a 30-days written notice to Customer. In such event, the Contractor shall provide a credit to Customer for work not performed and such credit shall be the sole and exclusive remedy to Customer.

By issuing a contract to the Contractor to perform the work proposed herein, Customer hereby agrees that this proposal and all items contained within is made part of and incorporated in said contract issued for the performance of this work.

This proposal is based on the Contractor's standard insurance coverage. Any requests for additional coverage beyond the Contractor's standard limits shall be subject to additional charges unless specifically included above. Copies of Contractor's standard insurance coverage are available upon request.

A bond is not provided for this project. If a bond is required by the Customer, it shall be requested by Customer in writing prior to the issuance of a contract. The additional cost of said bond shall be added to the price quoted herein. **The Contractor's current Bond Rate is 1.5%.**

The Contractor will not accept any deduction or back charge without a valid reasonable written notice to the Contractor. The Contractor must provide written acceptance to the back charge or deduction.



CA Contractor Lic: 905493
DIR# 1000000046

If Customer requires special wording for Waiver Of Subrogation Certificate, Customer shall request in writing such Certificate from the Contractor and Customer agrees to add and pay \$300 to the proposed cost herein.

The Contractor will not be bound to any labor agreements unless the Contractor independently executes such agreements.

The person executing this Agreement on behalf of Customer represents and warrants that they are authorized to do so by Customer to bind Customer to all terms herein. As a further inducement to the Contractor to enter into this Agreement, the person executing this Agreement agrees to guarantee the performance of Customer herein and to be personally liable for any payments not made by Customer.

The Parties acknowledge that this Agreement is the result of good faith negotiations between the Parties through their respective counsel. Any statute or rule of construction that any ambiguity is to be resolved against the Party that caused such an ambiguity shall not be employed in the interpretation or enforcement of this Agreement.

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. In addition, the Parties agree that facsimile and/or electronic signatures shall be acceptable to evidence the Parties' assent to this Agreement and are deemed equivalent to original "wet ink" signatures for all purposes under this Agreement.

If applicable, in order to proceed with design, the Contractor must have a hard copy of all relevant current contract drawings and specifications. CAD files for contract drawings are not acceptable.

Notwithstanding anything to the contrary, HCI shall not be responsible in any way for manufacturer/supplier/supply chain delays for materials.

If applicable, the Contractor shall make every reasonable attempt to obtain a timely plan check. However, the Contractor is in no way responsible for any delays whatsoever due to plan check officials or procedures.

If applicable, the Contractor requires a reasonable amount of time to pretest the entire system including interface with other trades. Failure of other trades to complete their work in a timely manner which causes the Contractor to incur additional expenses to meet the construction schedule will be subject to additional charges.

If applicable, all work (installation, testing and inspections) shall be scheduled during regular business hours only. Any work or inspections scheduled outside regular business hours will be subject to additional charges.

If applicable, the Contractor will be responsible for scheduling system related inspections. System inspections scheduled by others, resulting in additional cost to the Contractor, shall be subject to additional charges.

Company: Paul Bui

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Respectfully Submitted By:

Allen Kandel



FIVE YEAR FIRE SPRINKLER & STANDPIPE SYSTEM INSPECTION AGREEMENT

DIR#1000000046

Date: September 16, 2022

Job Site: Santa Ana PD & Jail
60 Civic Center
Santa Ana, CA

FACP: EST

From: Lauren Reyes
949-415-9621

To: Paul Bui

Phone: 714-240-2534

Email: pbui@santa-ana.org

Scope of Work:

HCI Systems Inc. is pleased to present this proposal to perform the Five Year Inspection on the fire sprinkler systems located at the above referenced address. The scope of work performed during these tests is in compliance with the new State Fire Marshal's requirements, set forth in NFPA 25. The scope of work to be completed is as follows:

FIVE YEAR FIRE SPRINKLER & STANDPIPE SYSTEM TESTING

- A thorough physical inspection of sprinklers, valves, components, devices, piping, hangers, and assemblies. This includes a thorough walk through and visual inspection of the sprinkler heads in the building.
- Main drain flow test.
- Perform required roof flow test of standpipe systems utilizing roof manifolds including dry standpipe and fire hose systems.
- Examination of sprinkler piping and seismic bracing above concealed spaces/ceilings for acceptable conditions in areas that are accessible. This includes a visual inspection above the ceiling tiles/hard lid to verify proper bracing (spot verification). Be advised that we will pop ceiling tiles in various locations as well as inspect above the hard lid areas where access hatches are available (spot verification).
- Back flush of the fire department connections (FDC) serving the sprinkler systems. This will require locating and accessing the check valves for the FDC's in order to perform a proper backflush of the Fire Department Connections.
- Exercise and operation of all sectional and system control valves, and lubrication as needed.
- Exercise and lubricate all hose valve outlets in stairwells.

Inspection Pricing:

- Five Year Fire Sprinkler Inspection \$ 21,840.00

Allotment for 5 Year Sprinkler Repairs

Approximately \$25,000.00

Special Instructions and Exclusions

- Under the new Title 19 (NFPA 25) standards is an effort to identify areas of corrosion throughout the sprinkler piping network – Therefore, if there are any signs of corrosion found during the flow tests, the following must be completed:
 1. An internal inspection must be conducted to check for blockage at the Riser, cross mains and branch lines.
 2. Water and deposit samples must be collected and sent to a lab to determine what type(s) of corrosion exist. A report, with recommendations will be sent upon receipt of results. Pricing for this additional work will be provided if we find any signs of corrosion during our test.
- Testing to be performed during regular HCI business hours.
- Engineering to assist with auxiliary function testing and resetting of equipment (elevators, HVAC/mechanical equipment, etc.).
- Access to all areas are to be provided by the facilities engineering staff.
- FDC must be accessible for work to be performed.
- Notifying inhabitants of the subject building(s) about the time and duration of testing is excluded and is the responsibility of others.
- Control of Electric power in the subject building during the testing is excluded and is the responsibility of others.
- Billing will take place upon completion of the test/inspection.
- Inspection reports will be provided following each inspection. Quote to repair any deficiencies noted will be made in a separate proposal and submitted for approval.
- This proposal excludes any and all fees related to re-test, AHJ permits, and background checks.
- A facility representative must be present with HCI technicians when entering a residential space, for the purpose of fire/life safety testing only. No other in-house maintenance is to be performed during this period.
- Any lack of access or delays to HCI is subsequent to a change order.
- This proposal is based on current codes, as of the date listed on this proposal. Any code change that increases the frequency of items to be tested will be subsequent to a change order.
- Lift rental is excluded, unless otherwise listed above in the pricing.
- Unless expressly stated otherwise under the Scope of Work, the price quoted **EXCLUDES** any prevailing wage, special wage, and/or certified payroll.
- Pricing is based on all testing being performed on same day(s). If a return trip is required due to the customer, our published labor rates will apply. 72 hours (3 business days) is required to cancel a scheduled test or a 20% rescheduling fee will be applied.
- This proposal is valid for 30 days.



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Thank you for the opportunity to review your needs and offer this proposal. Please feel free to contact me if you have any questions or concerns at 949-415-9621.

Sincerely,
Lauren Reyes

HCI Systems Inc.
State Contractors License. C-10, C-16 #905493

Authorization to Proceed

If you would like us to proceed with the work included in this proposal, please sign below and return to HCI. Proposal is accepted in accordance with the attached Terms & Conditions.

Company

Proposal Approved By (Signature)

Date

Printed Name

PO# (if required)

Title

Terms & Conditions

1. **TERM:** The original term of this Agreement is 12 months, starting the month during which services commence. The term will automatically renew itself for an additional 0 months from the last day of the original term or any renewal term unless either you or we give the other at least 30 days prior written notice of its intention to cancel the Agreement at the end of the original term or at the end of the applicable renewal term.
2. Customer agrees:
 - To provide free access to all areas of the facility covered by the fire alarm system. Where necessary, the customer will provide a person familiar with the facility who can gain access to all areas;
 - To provide the necessary equipment or lifts to reach inaccessible equipment and peripherals;
 - To supply suitable electrical service; and;
 - That in the event of any emergency or system failure, reasonable safety precautions will be taken to protect life and property (including fire watch) during the period of time from when HCI is first notified of the emergency or failure and until such time that HCI notifies the customer that the system is operational or that the emergency has cleared.
3. This Agreement assumes the system covered is in maintainable condition. If repairs are found necessary upon inspection, a proposal for repair at an additional cost will be submitted for approval. Should such repair proposal be declined, those non-maintainable items will be removed from the service agreement and the contract amount adjusted accordingly.
4. It is understood that repair, replacement and emergency service provisions apply only to the systems and equipment covered by this agreement and identified in the List of Covered Equipment. Repair or replacement of non-maintainable parts of the system such as, but not limited to, unit cabinets, insulating materials, electrical wiring, structural supports and other non-moving parts, is expressly excluded from this Agreement.
5. **Emergency Service Exclusions.** Emergency Service does not include travel expense, material and labor charges required as a result of accident, fire, storm, water, negligence, misuse, vandalism, power failure, source current fluctuations, lighting surges, any failure whatsoever resulting in whole or in part from a non-HCI installation, parts, service, attachments, or devices, or any other cause external to the equipment. Emergency Service will be provided in accordance with the description provided in Scope of Work. All services will be provided during normal business hours unless outlined elsewhere in this agreement.
6. If HCI tests a system that was **not** installed by HCI, HCI assumes no liability for that system either in whole or in part, and we expressly disclaim any liability or warranty, as such system or any of its components not installed by us. Any components that are installed by us or repaired by us are subject to the limited warranty given in the applicable repair agreement. **It is not our duty to investigate or inquire into your legal obligations to any third party with respect to any system that we inspect, or any of its components not installed by us, and you agree to provide third party indemnification to HCI in the event of any third party claims arising out of testing under this agreement.**
7. HCI may transfer or assign this Agreement to any other fire alarm company or financing institution without notice to you. You may not transfer this Agreement to someone else (including someone who purchases or leases or subleases your premises) unless we pre-approve the transfer in writing. We may use subcontractors to provide the services herein.
8. HCI will not reload software, nor make repairs or replacements necessitated by reason of negligence or misuse of the equipment by others, or caused by lightning, electrical storm, or other violent weather, or by any cause beyond HCI control except ordinary wear and tear.
9. The customer shall promptly notify HCI of any malfunction in the system(s) that comes to the customer's attention. HCI will not be responsible for fire watch in the event of system failure.
10. It is mutually understood that in providing the services included in this Agreement, HCI is not an insurer and does not guarantee any damage to property or injury to person will not occur.
11. **Multiyear Agreements:** HCI shall modify the annual amount at the renewal date and the Agreement shall otherwise continue without change. However, the customer may notify HCI within 30 days of receipt of the modification of a decision to terminate or renegotiate the services being provided, rather than accept the new amount. Standard HCI labor rates for service repair and maintenance work are subject to change for the duration of this agreement.
12. Neither HCI or its representative shall be liable to the purchaser or anyone else for any liability, claim, loss, damage or expense of any kind, or for any direct, consequential, collateral or incidental damages, relative to or arising from or caused directly by the equipment, its installation, its service, or the use thereof or any deficiency, defect or inadequacy of the equipment. It is expressly agreed that purchaser's exclusive remedy for any cause of action relating to the purchase, installation, service and/or use of equipment shall be for damages and HCI liability for any and all losses or damages resulting from any cause whatsoever, including negligence, shall in no event exceed the price of the service agreement for the equipment in respect to which the claim is made or, at the election of HCI, the restoration or replacement or repair of such equipment.
13. Fire watch is excluded.



14. Payments are due within 30 days of the submittal of an invoice. Overdue payments shall bear interest at the rate of 1–1/2% per month from the date on which payment is due until paid.
15. If any dispute arises out of this Agreement, such dispute shall be subject to Arbitration at the sole discretion of HCI. If any arbitration or action at law or equity shall be brought on account of any breach of this Agreement or to enforce or interpret any of its provisions, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees, which shall be fixed by the tribunal or court and be made a part of any award or judgment rendered.
16. This Agreement shall be governed and construed in accordance with the laws of the state of California. Both parties agree to submit to the exclusive venue and jurisdiction of the courts of California for any enforcement of Arbitration awards and ensuing litigation pertaining to this Agreement.
17. The person executing this Agreement on behalf of Customer represents and warrants that they are authorized to do so by Customer to bind Customer to all terms herein. As a further inducement to HCI to enter into this Agreement, the person executing this Agreement agrees to guarantee the performance of Customer herein and to be personally liable for any payments not made by Customer.
18. The Parties acknowledge that this Agreement is the result of good faith negotiations between the Parties through their respective counsel. Any statute or rule of construction that any ambiguity is to be resolved against the Party that caused such an ambiguity shall not be employed in the interpretation or enforcement of this Agreement.
19. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. In addition, the Parties agree that facsimile and/or electronic signatures shall be acceptable to evidence the Parties' assent to this Agreement and are deemed equivalent to original "wet ink" signatures for all purposes under this Agreement.



FIRE / LIFE SAFETY TEST & INSPECT AGREEMENT

DIR#1000000046

Date: September 16, 2022

Job Site: Santa Ana PD & Jail
60 Civic Center Plaza
Santa Ana, CA 92702

FACP: EST

From: Lauren Reyes
949-415-9621

To: Paul Bui

Phone: 714-240-2534

Email: pbui@santa-ana.org

Scope of Work:

HCI Systems Inc. is pleased to present this proposal to perform the Fire/Life Safety Inspections on the system located at the above referenced address. The scope of work and details of the inspections to be completed is as follows:

Semi-Annual Fire Alarm Test

HCI will perform the inspection on the Fire Alarm System two (2) times per year (50% of the building each time), audio/visuals, magnetic door holds, auxiliary functions (HVAC shutdown, elevator recall, etc.), and central station monitoring. HCI will test all waterflow and tamper switches during this inspection. HCI will test and inspect all fire alarm related devices and functions, per NFPA 72.

Quarterly & Annual Fire Sprinkler System Inspection

HCI will perform one (1) Annual Sprinkler Inspection to include the visual inspection of the sprinkler heads (in all areas accessible during the inspection) and the required main drain test. Be advised that waterflow and tamper switches will be tested one (1) time during the annual fire alarm inspection as noted above.

Annual Fire Hydrant Flow Test

HCI will perform the required annual flow test of the four (4) onsite fire hydrants as required per NFPA 25 (Section 7.2.2.5). HCI will attempt to locate road box to access the fire hydrant shut off valve. Hydrant will be opened fully and water flowed until all foreign material has cleared.

Annual Fire Pump Inspection

HCI will perform the annual fire pump inspection on one(1) fire pump. NFPA 25 requires that an annual flow test of the pump assembly be performed to determine its ability to continue to attain satisfactory performance at shutoff, rated flow, and peak loads. Annual flow tests allow for year-by-year comparisons of pump performance.

Semi-Annual Kitchen Hood Inspection

HCI will perform the required semi-annual inspections of the kitchen hood systems per NFPA 17A. This inspection will take place in intervals of 6 months. See table below for labor and material costs.

Type	Price
Fusible Links (165 deg - 500 deg)	\$ 20.00 per link (to be determined during inspection)
Rubber Blow-Off Caps	\$ 6.00 per cap (to be determined during inspection)
Metal Blow-Off Caps	\$ 26.00 per cap (to be determined during inspection)

Following each inspection noted above will be a detailed report. Any deficiencies noted will be quoted on a separate proposal.

Annual Cost Summary

YEAR 1:

- Semi-Annual Fire Alarm Testing/Inspection \$ 6,267.50/insp. (\$12,535.00/year)
- Semi-Annual Hood Inspection \$ 1,125.00 for one inspection (other semi-annual inspection is included with one of the fire alarm inspections)
- Annual Fire Sprinkler Inspection \$ 4,320.00
- Annual Fire Hydrant Testing \$ 540.00
- Annual Fire Pump Inspection \$ 1,080.00
- **TOTAL ANNUAL INVESTMENT is "Not to Exceed" \$ 19,600.00**

YEAR 2:

- Semi-Annual Fire Alarm Testing/Inspection \$ 6,500.00/insp. (\$13,000.00/year)
- Semi-Annual Hood Inspection \$ 1,150.00 for one inspection (other semi-annual inspection is included with one of the fire alarm inspections)
- Annual Fire Sprinkler Inspection \$ 4,500.00
- Annual Fire Hydrant Testing \$ 575.00
- Annual Fire Pump Inspection \$ 1,150.00
- **TOTAL ANNUAL INVESTMENT is "Not to Exceed" \$ 20,400.00**

YEAR 3:

- Semi-Annual Fire Alarm Testing/Inspection \$ 6,695.00 (\$13,390.00/year)
- Semi-Annual Hood Inspection \$ 1,175.00 for one inspection (other semi-annual inspection is included with one of the fire alarm inspections)
- Annual Fire Sprinkler Inspection \$ 4,635.00
- Annual Fire Hydrant Testing \$ 595.00
- Annual Fire Pump Inspection \$ 1,185.00
- **TOTAL ANNUAL INVESTMENT is "Not to Exceed" \$ 20,980.00**

Special Instructions and Exclusions

- Testing to be performed during regular HCI business hours.
- Engineering to assist with auxiliary function testing and resetting of equipment (elevators, HVAC/mechanical equipment, etc.).
- Notifying inhabitants of the subject building(s) about the time and duration of testing is excluded and is the responsibility of others.
- Control of Electric power in the subject building during the testing is excluded and is the responsibility of others.
- Access to all areas are to be provided by the facilities engineering staff.
- Billing will take place upon completion of the test/inspection.
- Inspection reports will be provided following each inspection. Quote to repair any deficiencies noted will be made in a separate proposal and submitted for approval.

- This proposal excludes semi-annual visual inspections of all fire alarm control and/or peripheral equipment.
- This proposal excludes sensitivity testing.
- This proposal excludes any and all fees related to re-test, AHJ permits, and background checks.
- A facility representative must be present with HCI technicians when entering a residential space, for the purpose of fire/life safety testing only. No other in-house maintenance is to be performed during this period.
- Any lack of access or delays to HCI is subsequent to a change order.
- This proposal is based on current codes, as of the date listed on this proposal. Any code change that increases the frequency of items to be tested will be subsequent to a change order.
- Devices provided to HCI via a previous test report or point list is what this quote is based on. Additional devices found will be subsequent to a change order.
- If facility preforms a remodel and additional devices are added, a new proposal will need to be generated.
- Lift rental is excluded, unless otherwise listed above in the pricing.
- Unless expressly stated otherwise under the Scope of Work, the price quoted **EXCLUDES** any prevailing wage, special wage, and/or certified payroll.
- Pricing is based on all testing being performed on same day(s). If a return trip is required due to the customer, standard HCI labor rates will apply. 72 hours (3 business days) is required to cancel a scheduled test or a 20% rescheduling fee will be applied.
- This proposal is valid for 30 days.

Service Labor Rates

HCI publishes an official Service Labor Rate Schedule at least once per year and they are subject to change. The published rate schedule includes current standard labor rates. Service calls will be charged at the current published rate made available at time of service.

Thank you for the opportunity to review your needs and offer this proposal. Please feel free to contact me if you have any questions or concerns at 949-415-9621.

Sincerely,
Lauren Reyes

HCI Systems Inc.
State Contractors License. C-10, C-16 #905493



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Authorization to Proceed

If you would like us to proceed with the work included in this proposal, please sign below and return to HCI. Proposal is accepted in accordance with the attached Terms & Conditions.

Company

Proposal Approved By (Signature)

Date

Printed Name

PO# (if required)

Title

Terms & Conditions

1. **TERM:** The original term of this Agreement is 12 months, starting the month during which services commence. The term will automatically renew itself for an additional 36 months from the last day of the original term or any renewal term unless either you or we give the other at least 30 days prior written notice of its intention to cancel the Agreement at the end of the original term or at the end of the applicable renewal term.
2. Customer agrees:
 - To provide free access to all areas of the facility covered by the fire alarm system. Where necessary, the customer will provide a person familiar with the facility who can gain access to all areas;
 - To provide the necessary equipment or lifts to reach inaccessible equipment and peripherals;
 - To supply suitable electrical service; and
 - That in the event of any emergency or system failure, reasonable safety precautions will be taken to protect life and property (including fire watch) during the period of time from when HCI is first notified of the emergency or failure and until such time that HCI notifies the customer that the system is operational or that the emergency has cleared.
3. This Agreement assumes the system covered is in maintainable condition. If repairs are found necessary upon inspection, a proposal for repair at an additional cost will be submitted for approval. Should such repair proposal be declined, those non-maintainable items will be removed from the service agreement and the contract amount adjusted accordingly.
4. It is understood that repair, replacement and emergency service provisions apply only to the systems and equipment covered by this agreement and identified in the List of Covered Equipment. Repair or replacement of non-maintainable parts of the system such as, but not limited to, unit cabinets, insulating materials, electrical wiring, structural supports and other non-moving parts, is expressly excluded from this Agreement.
5. **Emergency Service Exclusions.** Emergency Service does not include travel expense, material and labor charges required as a result of accident, fire, storm, water, negligence, misuse, vandalism, power failure, source current fluctuations, lighting surges, any failure whatsoever resulting in whole or in part from a non-HCI installation, parts, service, attachments, or devices, or any other cause external to the equipment. Emergency Service will be provided in accordance with the description provided in Scope of Work. All services will be provided during normal business hours unless outlined elsewhere in this agreement.
6. If HCI tests a system that was **not** installed by HCI, HCI assumes no liability for that system either in whole or in part, and we expressly disclaim any liability or warranty, as such system or any of its components not installed by us. Any components that are installed by us or repaired by us are subject to the limited warranty given in the applicable repair agreement. **It is not our duty to investigate or inquire into your legal obligations to any third party with respect to any system that we inspect, or any of its components not installed by us, and you agree to provide third party indemnification to HCI in the event of any third party claims arising out of testing under this agreement.**
7. HCI may transfer or assign this Agreement to any other fire alarm company or financing institution without notice to you. You may not transfer this Agreement to someone else (including someone who purchases or leases or subleases your premises) unless we pre-approve the transfer in writing. We may use subcontractors to provide the services herein.
8. HCI will not reload software, nor make repairs or replacements necessitated by reason of negligence or misuse of the equipment by others, or caused by lightning, electrical storm, or other violent weather, or by any cause beyond HCI control except ordinary wear and tear.
9. The customer shall promptly notify HCI of any malfunction in the system(s) that comes to the customer's attention. HCI will not be responsible for fire watch in the event of system failure.
10. It is mutually understood that in providing the services included in this agreement, HCI is not an insurer and does not guarantee any damage to property or injury to person will not occur.
11. **Multiyear Agreements:** HCI shall modify the annual amount at the renewal date and the Agreement shall otherwise continue without change. However, the customer may notify HCI within 30 days of receipt of the modification of a decision to terminate or renegotiate the services being provided, rather than accept the new amount. Standard HCI labor rates for service repair and maintenance work are subject to change for the duration of this agreement.
12. Neither HCI or its representative shall be liable to the purchaser or anyone else for any liability, claim, loss, damage or expense of any kind, or for any direct, consequential, collateral or incidental damages, relative to or arising from or caused directly by the equipment, its installation, its service, or the use thereof or any deficiency, defect or inadequacy of the equipment. It is expressly agreed that purchaser's exclusive remedy for any cause of action relating to the purchase, installation, service and/or use of equipment shall be for damages and HCI liability for any and all losses or damages resulting from any cause whatsoever, including negligence, shall in no event exceed the price of the service agreement for the equipment in respect to which the claim is made or, at the election of HCI, the restoration or replacement or repair of such equipment.
13. Fire watch is excluded.

14. Payments are due within 30 days of the submittal of an invoice. Overdue payments shall bear interest at the rate of 1–1/2% per month from the date on which payment is due until paid.
15. If any dispute arises out of this Agreement, such dispute shall be subject to Arbitration at the sole discretion of HCI. If any arbitration or action at law or equity shall be brought on account of any breach of this Agreement or to enforce or interpret any of its provisions, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees, which shall be fixed by the tribunal or court and be made a part of any award or judgment rendered.
16. This Agreement shall be governed and construed in accordance with the laws of the state of California. Both parties agree to submit to the exclusive venue and jurisdiction of the courts of California for any enforcement of Arbitration awards and ensuing litigation pertaining to this Agreement.
17. The person executing this Agreement on behalf of Customer represents and warrants that they are authorized to do so by Customer to bind Customer to all terms herein. As a further inducement to HCI to enter into this Agreement, the person executing this Agreement agrees to guarantee the performance of Customer herein and to be personally liable for any payments not made by Customer.
18. The Parties acknowledge that this Agreement is the result of good faith negotiations between the Parties through their respective counsel. Any statute or rule of construction that any ambiguity is to be resolved against the Party that caused such an ambiguity shall not be employed in the interpretation or enforcement of this Agreement.
19. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. In addition, the Parties agree that facsimile and/or electronic signatures shall be acceptable to evidence the Parties' assent to this Agreement and are deemed equivalent to original "wet ink" signatures for all purposes under this Agreement.







Final Agreement with HCI Systems 2023(269487.1)(277696.1)

Final Audit Report

2023-04-21

Created:	2023-04-21
By:	Susan Gorospe (sgorospe@santa-ana.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAANHeTHa8I_4UWGALSD9yO71iAGiWtt7N

"Final Agreement with HCI Systems 2023(269487.1)(277696.1)" History

-  Document created by Susan Gorospe (sgorospe@santa-ana.org)
2023-04-21 - 3:25:00 PM GMT- IP address: 209.59.253.213
-  Document emailed to hdimitry@hcisystems.net for signature
2023-04-21 - 3:26:00 PM GMT
-  Email viewed by hdimitry@hcisystems.net
2023-04-21 - 3:29:27 PM GMT- IP address: 68.5.202.223
-  Signer hdimitry@hcisystems.net entered name at signing as Hany Dimitry
2023-04-21 - 3:33:08 PM GMT- IP address: 68.5.202.223
-  Document e-signed by Hany Dimitry (hdimitry@hcisystems.net)
Signature Date: 2023-04-21 - 3:33:10 PM GMT - Time Source: server- IP address: 68.5.202.223
-  Agreement completed.
2023-04-21 - 3:33:10 PM GMT

Names and email addresses are entered into the Acrobat Sign service by Acrobat Sign users and are unverified unless otherwise noted.