

		<p style="margin: 0;">MAINTENANCE AGREEMENT</p> <p style="margin: 0;">CSA & SUPPORT SERVICES (800) 789-9774</p> <p style="margin: 0; font-size: small;">Customer # : 440820E Agreement # : 3313AB</p>
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DATE: **10/21/2009**

PARTIES: First Party: **QUINN COMPANY**, a California corporation, dba QUINN POWER SYSTEMS hereinafter referred to as "QUINN"; and
 Second Party: **Monterey Peninsula Water District** hereinafter referred to as "OWNER".

RECITALS:

1. Quinn is a factory authorized Caterpillar dealer.
2. Owner owns certain equipment and Owner desires to retain Quinn to perform periodic preventive maintenance on such equipment, and Quinn is willing to perform such periodic preventive maintenance, on the terms and subject to the conditions set forth in this Agreement.

AGREEMENT:

The parties hereto do hereby agree as follows:

1. **The Equipment.** Owner now owns the following described engines and related equipment:

Caterpillar 3306ATAAC, 250kW, SN 09NR04306

All of the above-described item(s) are hereinafter collectively referred to as "the Equipment" and covered under this agreement.

2. **Term.** Starting from: **10/21/2009**
 This agreement is continuous until cancelled or non-renewed and shall commence on the date first written above and shall continue until the end of the coverage term as stated above or terminated by either party giving the other party thirty (30) days written notice of termination. The provisions of this Agreement relating to indemnification and limitation of Quinn's liability shall survive any termination of this Agreement.

3. **The Services.** Owner hereby engages Quinn to render certain maintenance services to the Equipment during the term of this Agreement as indicated below and described on Exhibit "A" attached hereto ("CSA PM LEVEL DESCRIPTIONS"). Additional PM coverage may be added anytime at customer's request.

<u>GUARANTEED PERFORMANCE</u>	<u>FREQUENCY</u>	<u>ANNUAL FEE</u>
PM Level 1 - Multi Point Inspection	One (1) visit per year.	\$466.00
PM Level 2 - Annual Service	One (1) visit per year.	\$979.00

PM Load Bank	2 hours test duration	One (1) visit per year.	\$1,050.00
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<u>FACTORY RECOMMENDED SERVICES</u>	<u>FREQUENCY</u>	<u>SERVICE FEE</u>
PM 3 Cooling System Service	One (1) service every three (3) years.	\$2,237.00

The following part(s) shall be replace for the above scope of work
 Engine Oil, Oil Filter(s), Fuel Filter(s), Air Filter(s)
 Engine Coolant, Hose(s), Belt(s), Thermostat(s), Gasket(s), Sealant, Hose Clamp(s), Radiator Cap, and Misc. Parts

CONT.

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Fee. During the term of this Agreement, owner shall pay Quinn:

Total fee excluding optional LOADBANK TEST:	\$3,682.00	I Accept [] initial
Total fee including optional LOADBANK TEST:	\$4,732.00	I Accept [] initial

Quinn will invoice Owner in accordance with provisions of this Agreement, plus any applicable taxes, after each visit and Owner will pay each invoice within thirty (30) days of receipt. A service charge of one and one half percent (1.5%) per month (18% per annum) will accrue on any invoice that remains unpaid for more than thirty (30) days. Charges for labor performed after the first year of this Agreement shall be adjusted to reflect changes in Quinn's standard labor charges as in effect from time to time. At each twelve (12) month interval after the date on this document a 3% to 5% increase may be effective. If Quinn personnel arrive at the job site to perform the Maintenance Services, and are prevented from doing so through no fault of Quinn, Owner will be charged for the serviceman's time and mileage in each such instance.

This Maintenance Agreement includes travel and mileage charges to and from the job site during normal business hours. Weekend and Off-Hours requests will incur additional Labor Charges according to Exhibit "B"

5 .

Standards of Performance. Quinn shall perform the Maintenance Services in accordance with the standard of care customarily employed in the heavy equipment maintenance industry. Quinn will cooperate with Owner in scheduling performance of the Maintenance Services and Quinn will perform the Maintenance Services in a manner to minimize interference with the Owner's normal business operations to the extent reasonably possible.

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Limited Duty and Liability. It is expressly agreed that the responsibility and liability of Quinn is strictly limited to performance of the Maintenance Services on the Equipment. Quinn has no responsibility or liability for failure to discover actual or potential problems in the condition or operation of the Equipment. Quinn makes no representations, warranties, or guaranties concerning the Equipment or the operation of the Equipment. Quinn shall have no liability for any consequential damages or lost profits suffered or incurred by Owner. It is expressly agreed that the total liability of Quinn to Owner whether such liability is based upon breach of contract, tort, or any other theory, shall be limited to an amount equal to the total fee payable by Owner to Quinn during the twelve (12) month period prior to such claim. It is further understood by Owner that Quinn would not enter into this Agreement or perform the Maintenance Services without obtaining the benefit of the above-described limitation on Quinn's liability to Owner.

7 .

General Provisions. This Agreement sets forth the entire agreement of the parties hereto concerning the subject matter of this Agreement. This Agreement may only be modified or amended by an agreement in writing executed by each of the parties hereto.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first written above.

QUINN COMPANY, a California corporation
dba QUINN POWER SYSTEMS

BY: Lee Dao
TITLE: CSA Technical Quoter
Date: 10/21/2009

Owner: **Monterey Peninsula Water District**

BY: _____
TITLE: _____
PO #: _____
Date: _____

<p>PM Level 1 Multi Point Inspection ←---COVERED</p> <ul style="list-style-type: none"> * Comprehensive detailed inspection of units is performed. * Check/Adjust all fluid levels and pressures for correct operation. * Check and inspect air cleaner restriction gauge and air filter element. * Check primary source fuel tank for water with water finding paste. * Check Day tank, Fuel tank, Fuel line fittings for leaks. * Check Cooling System hoses, caps, clamps for brittleness, leaks, cracks, and weakness. * Check ir voltages, charging rates, fluids, and specific gravities / ICV's. * Engine cranking Batteries will be tested under start up load for voltage drop. * Block Heater elements and inlet/outlet t-stats are checked for proper output and operation. * Engine Fan Drive and Belts are inspected and adjusted for proper tension and condition. * Check Turbo Charger rotation / end play if so equipped. * Check generator brushes for proper tension/setting as equipped. * Check and document Control Panel instruments for proper operation and values. * Grease bearings, fan shafts, linkages, and equipment fittings as required. * Hot oil sample taken and submitted for analysis. * Test safety alarms and contacts. * Run unit under load for up to 30 minutes when authorized by site. * Submit report to customer. 	<p>PM LB Load Bank Testing ←---COVERED</p> <ul style="list-style-type: none"> * Connect resistive or inductive load bank as applicable to generator. * Run Test with requested load for 2, 4, or 8 hours interval * Record readings and recommendations. * Disconnect load bank from unit. * Return unit back to original mode of operation. * Submit report to customer.
<p>PM Level 2 Annual Service-Major w/ Multi Point Inspection ←---COVERED</p> <ul style="list-style-type: none"> * All items from PM Level 1 are performed, PLUS * Change crankcase oil, oil filter(s), air filter(s), fuel filter(s), water separator(s) and coolant filter(s) as equipped. * Draw system coolant sample for analysis. * Submit report to customer. 	<p>PM Megohmmeter Generator Electrical Winding Test</p> <ul style="list-style-type: none"> * This test should be performed as part of periodic maintenance in order to detect the deterioration of the winding insulation. * Perform megohmmeter test on generator winding and measure winding insulation resistance. * Submit report to customer.
<p>PM Level 3 Cooling System Service ←---COVERED</p> <ul style="list-style-type: none"> * Drain, contain and dispose of waste coolant. * Flush cooling system with fresh water. * Replace all coolant hoses and clamps (upgrade block heater hoses to steel braided as recommended). * Replaced the radiator pressure cap(s) * Replaced the engine thermostat(s) and associated gasket(s). * Replaced the engine fan belt(s) and alternator drive belt(s). * Refill system with proper amount of glycol antifreeze and conditioners. * Rod and clean oil cooler or heat exchanger as equipped (if required). * Test run unit to operating temperature, under load when authorized by site personnel. * Return unit back to original mode of operation. * Submit report to customer. 	<p>PM ATS Automatic Transfer Switch Service</p> <ul style="list-style-type: none"> * De-energize the transfer switch, when possible. * Clean unit of dust and dirt accumulations. * Clean open-type relays of dust/grease or oil. * Visually inspect unit for signs of arching, burning, hot spots, charring, or other damages. * Inspect for loose, broken or badly worn parts. * Check terminal lugs and trip units for tightness / signs of overheating. * Check main current carrying contacts for arching, pitting, and discoloration. Clean main contacts if needed, check and re-tighten if needed. * Check manual switches for free movement and contact continuity. * Check and adjust relay finger contacts if needed. * Lubricate all components for proper operation as needed. * Check plug connections, if equipped. * Check door closure, locking bars and handle mechanism for proper operation. * Check exercise timer if equipped. * Perform transfer test of ATS under load when authorized by site personnel. * Check all components/timers for proper operation and sequencing. * Check main power connections for heat build-up with infra-red gun or provide PM Infra-Red scan. * Timers reset to customer specifications and placed in automatic mode. * Return unit back to original mode of operation. * Submit report to customer.
<p>PM Level 4 Minor Inspection</p> <ul style="list-style-type: none"> * Perform general walk around inspection of unit. * Fluid levels are spot checked for correct operating range. * Inspect air filter element. * Fuel tank/engine fuel line fittings are inspected for leaks and tighten as required. * Coolant hoses inspected for brittleness, leaks, cracks, and weakness. * Engine cranking batteries will be tested under start up load for voltage drop. * Jacket water heater element and inlet/outlet t-stats are checked for proper operation. * Engine drive belts inspected for proper tension and condition. * Control panel instruments checked for proper operation. * Unit is run for 10 minutes, under no load. * Return unit back to original mode of operation. * Submit report to customer. 	<p>PM Battery Battery Replacement</p> <ul style="list-style-type: none"> * Engine cranking batteries are removed and replaced. * Engine cranking batteries will be tested under start up load for voltage drop. * ir disposal is provided. * Test run unit without load. * Return unit back to original mode of operation. * Submit report to customer.
<p>PM Hourly Service per Unit Run Hours</p> <ul style="list-style-type: none"> * PM Service level is based upon unit run hours as opposed calendar schedule and is typically reserved for operation and maintenance agreements. 	<p>PM IR Infra-Red Thermography Inspection</p> <ul style="list-style-type: none"> * Problems can develop when electrical components generate excessive heat due to deterioration, loose connections, or overloads. An Infra-Red inspection is recommended to be performed on all of the following areas: generator output connections, cables, bus, and generator breakers, while system is energized. Inspection consist of: * Set-up of Thermo graphic Imaging Infra-Red camera. * Conduct infre-red scanning inspection. * High resolution photographs will accompany recommendations for corrective action or repair, and will assist overall as a critical part of any complete predictive or conditional based maintenance program. * Submit report to customer after technical review has been completed.
<p>PM PG Point Guard Monitoring</p> <ul style="list-style-type: none"> * Point Guard monitors various inputs and outputs of unit operation and functionality. * Identifies and alerts authorized personnel of potential problems by fault notification via text or e-mail by cellular, satellite, or land-line applications. 	<p>PM SWG Switchgear Service</p> <ul style="list-style-type: none"> * Services include manufacturer recommended equipment service & inspection on single standby loads and multi-unit paralleling systems. * Submit report to customer. <p>PM UPS UPS Service</p> <ul style="list-style-type: none"> * Services include manufacturer recommended equipment service & inspection for ir and rotary type systems * Performance will be based upon the specific manufacturer scopes of work and whether or not the equipment is energized or de-energized. * All services are performed only as unit is equipped and as our technician is authorized. * Submit report to customer.

EMERGENCY NUMBERS AND LABOR CHARGES

SALINAS BRANCH
1300 Abbott Street, Salinas, CA 93901

Quinn Power Systems will provide "On Call" emergency service 24 hours per day,
7 days a week with a response of 4 hours or less.

For regular or emergency service, please call the following numbers:

During normal working hours (7:30am to 4:00pm Monday – Friday) call:

CSA Customer Service (non-emergency).....	(800) 789-9774
CSA Service Manager..... Larry Alberg	(831) 775-3408
CSA Service Coordinator..... Joanna Gonzales	(831) 775-3413
After hours, Saturdays, Sundays and holidays, call	(831) 758-8461

ADDITIONAL CSA LABOR RATES ARE AS FOLLOWS:

<u>Standard rate:</u> (7:30am to 4:00pm Monday through Friday excluding Holidays)	\$106.00 \$106.00	per hour – Shop per hour – Field
<u>Overtime rate:</u> (after 4:00pm and Saturdays/holidays)	\$159.00 \$159.00	per hour – Shop per hour – Field
<u>Premium time:</u> (over 12 hours per day and Sunday)	\$212.00 \$212.00	per hour – Shop per hour – Field
Travel (truck charges)	\$2.50 per mile plus Travel Time	

All call outs requested OFF normal business hours; Monday through Friday, Saturdays, Sundays, and Holidays will be required to pay an hourly minimum of four (4) hours according to the prevailing billable rates within Exhibit "B". The above discounted labor rates will remain in effect until annual addendum review or upon termination of this agreement as covered in paragraph 2 under the general agreement terms.

EFFECTIVE JUNE 05, 2008



CSA Equipment Inspection Checklist

CSA Customer Service

Fax Request

(800) 789-9774

(562) 463-7150

- City of Industry Bakersfield Fresno Oxnard Salinas Santa Maria Lancaster
- 3500 Shepherd St. 2200 Pegasus Rd. 10273 Golden State 801 Del Norte Bl 1300 Abbott St 1666 N. Carlotti Dr. 46101 N. Siena Hwy
- City of Industry 90601 Bakersfield 93308 Selma 93662 Oxnard 93030 Salinas 93901 Santa Maria 93464 Lancaster 93534
- (562) 463-6051 (661) 393-5800 (559) 896-4040 (805) 485-2171 (831) 758-8461 (805) 925-8611 (661) 723-6660

Work Order#	best	Customer	Address	
Date		Engine Manufacturer	Driven Manufacturer	
Agreement#		Engine Model Number	Driven Model Number	
Service Level		Engine Serial Number	Driven Serial Number	
Unit #		Service Meter Units	Electric Hours	Driven Unit

(C) CHECK (S) SERVICE (A) ADJUST (R) REPLACE (X) NEEDS ATTENTION (N/A) NOT APPLICABLE

Service Checks

Obtain Authorization and Access	
Check Oil Level	
Check Coolant Level	
Check Operation of Block Heater	
Check Radiator / Expansion Tank Cap	
Coolant Protection <input type="checkbox"/>	Coolant ph <input type="checkbox"/>
Oil <input type="checkbox"/> psi Fuel <input type="checkbox"/> psi H2o Temp <input type="checkbox"/>	
Alternator Charge Rate <input type="checkbox"/> VDC DC Amps <input type="checkbox"/>	
Engine Speed <input type="checkbox"/> RPM Generator Freq <input type="checkbox"/>	
Check / Correct Minor Oil Leaks	
Check / Correct Minor Coolant Leaks	
Check / Correct Minor Fuel Leaks	
Check Turbocharger Rotation / End Play	
Check Governor Response	
Lubricate Governor Linkage	
Check Hoses (Brittle, Cracks, Weak)	
Check / Tighten Hose Clamps	
Inspect Radiator Fins for Debris	
Lubricate Fan Drive Assembly	
Check / Adjust Belts as Required	
Check Daytank with Water Finding Paste	
Check Daytank Operation	
Inspect Air Filter	
Is There Evidence of Wetstacking?	
SOS Analysis: <input type="checkbox"/> OIL <input type="checkbox"/> COOLANT <input type="checkbox"/> FUEL	

Spark Ignited Engines

Check Point Gap	
Check / Lubricate Carburetor Linkage	
Check / Adjust Air-Fuel Ratio	
Check / Gap Spark Plugs	
Check Plug Wires for Brittleness	
Check Plug Wires for Corrosion	
Check Distributor Cap / Rotor	
Check / Adjust Timing	

Recommendations:

Customer Signature Technician Tech ID#

WWW.QUINNPPOWER.COM

Save Print Duplicate



PREVENTIVE MAINTENANCE SCHEDULE

CSA & SUPPORT SERVICES (800) 789-9774

Customer # : 440820E

Agreement # : 3313AB

Customer: **Monterey Peninsula Water District**
Address: P.O.Box 85
MONTEREY CA 93942

Date: 10/21/2009
Phone No. 831-649-4866
Fax No. 831-644-9560

Attention: **Corey Hamilton**

Perform Preventive Maintenance Service and Inspections on the Following.

Engine Description		PM LEVEL 1	PM LEVEL 2	LOADBANK	PM LEVEL 3	TOTAL
Caterpillar 3306ATAAC, SN 09NR04306	LABOR:	\$431.00	\$643.00	\$1,050.00	\$1,517.00	\$4,732.00
#1: Monterey, Ca	EST. PARTS:	\$35.00	\$336.00		\$720.00	
TOTAL FEE \$:		\$466.00	\$979.00	\$1,050.00	\$2,237.00	\$4,732.00