

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (the "Agreement") is dated this 5th day of May, 2022.

CLIENT

Glendale School District 77
10598 Azalea Glen Ave Glendale,
OR 97442
(the "Owner")

CONTRACTOR

Solarc Energy Group LLC
30 East Broadway, Suite 150 Eugene,
Oregon 97401
(the "Contractor")

BACKGROUND

- A. The Owner is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
- B. The Contractor is agreeable to providing such services to the Owner on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Owner and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

1. The Owner hereby agrees to engage the Contractor to provide the Owner with the following services (the "Services"):
 - Site evaluation of the complete existing HVAC systems, mechanical rooms, and existing electrical distribution system related to the HVAC system.
 - Obtain existing building plans and/or studies from Glendale Schools and perform field evaluations to identify the existing HVAC system components and calculate new heating cooling loads to ensure all new system components and end devices are sized correctly.
 - Prepare a technical memorandum identifying the deficiencies of the existing HVAC and electrical systems and make recommendations for upgrades/repairs. The technical memorandum shall identify the systems by area/building and include a budgetary estimate.

- Prepare a Schematic Design that addresses system deficiencies and the owners needs within the HVAC system
- Evaluate the current Dust collector system in the shop building and provide a conceptual design for replacement

2. The Services will also include any other tasks which the Parties may agree on and facilitated with a Change Order. The Contractor hereby agrees to provide such Services to the Owner.

TERM OF AGREEMENT

3. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until the completion of the Services, subject to earlier termination as provided in this Agreement. The Term may be extended with the written consent of the Parties.

PERFORMANCE

4. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

CURRENCY

5. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

COMPENSATION

6. The Contractor will charge the Owner Based on a fixed fee of \$33,300.00 for assessment and evaluation of the current HVAC systems and Schematic design of a new system outlined in the response to RFP 1003

7. The contractor will charge a fixed fee of \$4,000.00 to provide evaluation of the dust collection system and a conceptual design for replacement of the dust collection system in the shop space at Glendale high school.

8. The Client will be invoiced as follows:

- Monthly draw requests based upon completed work and material purchased and onsite.

9. Invoices submitted by the Contractor to the Owner are due within 30 days of receipt.

REIMBURSEMENT OF EXPENSES

9. The Contractor will be reimbursed from time to time for reasonable and necessary expenses incurred by the Contractor in connection with providing the Services. The Contractor will only be reimbursed for expenses submitted according to the following guidelines:

- Any and all work outside of the proposal and RFP 1004 will require a Change Order request signed by the Owner in order for the Contractor to proceed.

INTEREST ON LATE PAYMENTS

10. Interest payable on any overdue amounts under this Agreement is charged at a rate of 2.00% per annum or at the maximum rate enforceable under applicable legislation, whichever is lower.

CONFIDENTIALITY

11. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Owner which would reasonably be considered to be proprietary to the Owner including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Owner and where the release of that Confidential Information could reasonably be expected to cause harm to the Owner.
12. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Owner or as required by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.

OWNERSHIP OF INTELLECTUAL PROPERTY

13. All intellectual property and related material, including any trade secrets, moral rights, goodwill, relevant registrations or applications for registration, and rights in any patent, copyright, trademark, trade dress, industrial design and trade name (the "Intellectual Property") that is developed or produced under this Agreement, is a "work made for hire" and will be the sole property of the Owner. The use of the Intellectual Property by the Owner will not be restricted in any manner.
14. The Contractor may not use the Intellectual Property for any purpose other than that contracted for in this Agreement except with the written consent of the Owner. The Contractor will be responsible for any and all damages resulting from the unauthorized use of the Intellectual Property.

RETURN OF PROPERTY

15. Upon the expiration or termination of this Agreement, the Contractor will return to the Owner any property, documentation, records, or Confidential Information which is the property of the Owner.

CAPACITY/INDEPENDENT CONTRACTOR

16. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Owner acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service. The Owner is not required to pay, or make any contributions to, any social security, local, state or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and

complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

RIGHT OF SUBSTITUTION

- 17.** Except as otherwise provided in this Agreement, the Contractor may, at the Contractor's absolute discretion, engage a third party sub-contractor to perform some or all of the obligations of the Contractor under this Agreement, the Owner has hired WestCoast Solutions as a third party to assist with the provision of the Services.
- 18.** In the event that the Contractor hires a sub-contractor:
- the Contractor will pay the sub-contractor for its services and the Compensation will remain payable by the Owner to the Contractor.
 - for the purposes of the indemnification clause of this Agreement, the sub-contractor is an agent of the Contractor.

AUTONOMY

- 19.** Except as otherwise provided in this Agreement, the Owner will have full control over working time, and decision making in relation to provision of the Services in accordance with the Agreement. However, the Owner will be responsive to the reasonable needs and concerns of the Contractor.

EQUIPMENT

- 20.** Except as otherwise provided in this Agreement, the Contractor will provide at the Contractor's own expense, any and all tools, machinery, equipment, raw materials, supplies, workwear and any other items or parts necessary to deliver the Services in accordance with the Agreement.

NO EXCLUSIVITY

- 21.** The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the Term, to engage or contract with third parties for the provision of services similar to the Services.

NOTICE

- 22.** All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:
- a. WestCoast Solutions
171 Provo Lane Sutherlin, OR 97479
 - b. SolarEnergyGroup
30 East Broadway, Suite 150 Eugene, Oregon 97401

or to such other address as either Party may from time to time notify the other, and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days

after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

INDEMNIFICATION

23. Except to the extent paid in settlement from any applicable insurance policies, and to the extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective directors, shareholders, affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

ADDITIONAL CLAUSES

- 24. LIQUIDATED DAMAGES RELATED TO DESIGN PHASE SERVICES:** The Contractor acknowledges that the Owner will sustain a loss of time concerning the Construction Phase resulting in damages to the timeframes as a result of the Contractor's failure to complete the Work by the Interim and Contract Completion Dates in accordance with the Contract Documents. The liquidated damages for loss of use cover only loss of revenue as a result of lost time. The liquidated damages cover the cost of delay damages incurred by the Owner for extended overhead or management costs, extra or extended financing costs, extra or extended services by the Engineer of Record or other design professionals, claims by other contractors, and possibly other types of costs, expenses and damages incurred by the Owner. The Contractor and the Owner acknowledge that the actual amount of the Owner's loss of use damages would be difficult to determine accurately and agree that the liquidated damages figure(s) established represent a reasonable estimate of such damages and is not a penalty.
25. The Contractor agrees to pay to the Owner the liquidated damage sums established for each Calendar Day of delay or any fraction thereof and further agrees that the Owner may deduct such sums from payments the Owner otherwise owes to the Contractor. If such deduction does not result in payment to the Owner of the assessed liquidated damages in full, the Contractor shall promptly pay any and all remaining sums due to the Owner upon demand.

- The daily amount of liquidated damages applicable to the Owner established Contract Completion Date of July 31, 2022 will be set at \$500.00 per day after 7/31/2022

The completed outlined work above will be delivered to the Owner by 7/31/2022.

- If the outlined Completed deliverables are not completed and in the owners possession by the above date a fee of \$500.00 per day for every day after the above date until delivered will be accrued and owed by the Contractor to the Owner
- The Contractor must provide documentation of insurance required to the Owner

- The Contractor acknowledge the BOLI wage terms set by the State of Oregon required on this project
- Contractor agrees to leave the worksite clean and secure when not onsite

MODIFICATION OF AGREEMENT

30. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

TIME OF THE ESSENCE

31. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

ASSIGNMENT

32. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Owner.

ENTIRE AGREEMENT

33. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

ENUREMENT

34. This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

TITLES/HEADINGS

35. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

GENDER

36. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

GOVERNING LAW

37. This Agreement will be governed by and construed in accordance with the laws of the State of Oregon.

SEVERABILITY

38. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

WAIVER

39. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand and seal on this 12th day of May, 2022.

Glendale School District 77

Per: _____
Glendale Schools Superintendent
Name: David Hanson

Solarc Energy Group

Per: Michael J. Hatten
Owner: MEMBER
Name: MICHAEL J. HATTEN