AGREEMENT BETWEEN THE CITY OF MANHATTAN BEACH AND DDL TRAFFIC, INC.

PURCHASE AND INSTALLATION OF

EMERGENCY VEHICLE PREEMPTION SYSTEM

The following contract ("Contract") is made and entered into, as of the last date of full execution by and between the City of Manhattan Beach, a California municipal corporation ("City") and DDL Traffic, Inc., a California corporation ("Contractor") ("Effective Date"). City and Contractor are referred to herein as the "parties."

WHEREAS, the City desires to install emergency vehicle preemption devices at various signalized intersections of the City listed in **Exhibit A**, Scope of Work and Fee Schedule;

WHEREAS, the City and Contractor now desire to memorialize the terms and conditions of the purchase and installation of emergency vehicle preemption devices in Manhattan Beach; and

NOW THEREFORE, in consideration of the mutual covenants herein contained, it is agreed:

1. GENERAL SCOPE OF WORK; TERM; TERMINATION: Contractor shall procure and furnish all necessary labor, tools, materials, and expertise for installation of the emergency vehicle preemption devices consistent with the Scope of Work and Fee Schedule, attached hereto as **Exhibit A**. The installation is to be performed in good and workmanlike manner and in accordance with any further written instructions, if any, of the City Manager or his designated representative. The term of this Contract shall commence upon the Effective Date and, unless terminated as provided herein, shall continue until all required work is completed, fully executed releases as to any and all lien rights of any and all subcontractors have been received by City, and the time within which any liens, stop notices or other claims for payment by subcontractors, laborers, and/or materialmen can be asserted against City has expired.

City may terminate this Contract, without cause, at any time by providing Contractor with not less than 30 days' prior written notice. Provided Contractor is not then in breach, Contractor will be paid for work satisfactorily completed and for all deliverables received.

- 2. TIME OF COMPLETION; LIQUIDATED DAMAGES. Notwithstanding any other provision of this Contract, the completion date for this installation shall be on or before December 31, 2020 ("Completion Date"). Contractor agrees to the assessment of liquidated damages in the amount of \$250 for each calendar day the work remains incomplete beyond the Completion Date. City may deduct the amount thereof from any monies due or that may become due Contractor under this Contract. Progress payments made after the scheduled Completion Date shall not constitute a waiver of liquidated damages.
- 3. INCORPORATED DOCUMENTS TO BE CONSIDERED COMPLEMENTARY: All Exhibits attached hereto are incorporated herein by reference. The documents, payment

bond, City insurance requirements, together with this written contract (and all Exhibits, documents and laws referenced therein), shall constitute the entire agreement between the parties as to the subject matter of the Contract. In the event of any conflict between this contract and any Exhibit hereto, the provisions of this contract shall control.

- 4. FEE SCHEDULE: Terms of payment and other applicable terms and conditions are in the Scope of Work and Fee Schedule, attached hereto as **Exhibit A**.
- 5. INSURANCE: Contractor shall not commence work under this Contract until it has obtained insurance with the minimum limits and coverage required under the City Insurance Requirements, attached hereto as **Exhibit B**, in a company or companies acceptable to City. Contractor shall not allow any subcontractor to commence work on its subcontract until all insurance required of the subcontractor have been obtained. Contractor shall provide evidence of the required insurance to City's Risk Manager as specified in **Exhibit B**.

In accordance with the provisions of Section 3700 of the California Labor Code, Contractor shall secure the payment of compensation to its employees. Contractor, prior to commencing work, shall sign and file with City a certification as follows:

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

RESOLUTION OF DISPUTES: In the event that a dispute arises between City and 6. Contractor regarding whether the conditions materially differ, or cause a decrease or increase in Contractor's cost of or time required for performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all work to be performed under the Contract. Contractor shall retain any and all rights that pertain to the resolution of disputes and protests between the parties. In the event of any dispute or controversy with City over any matter whatsoever, Contractor shall not cause any delay or cessation in or of work, but shall proceed with the performance of the work in dispute. This includes disputed time extension requests and prices for changes. The disputed work will be categorized as an "unresolved dispute" and payment, if any, shall be as later determined by mutual agreement or a court of law. Contractor will keep accurate, detailed records of all disputed work, claims and other disputed matters. Pursuant to Public Contract Code Sections 9204 and 20104, a "claim" means a separate demand by Contractor for a time extension, payment of money or damages arising from work done by or on behalf of Contractor pursuant to this Contract which is not otherwise expressly provided for, or an amount which is disputed by City. Public Contract Code Sections 9204 and 20104, et seq. and Manhattan Beach Municipal Code Chapter 2.56 governing claims and actions against City shall govern the procedures of the claim process, and the provisions of Public Contract Code Sections 9204 and 20104, et seg. and Manhattan Beach Municipal Code Chapter 2.56 are incorporated herein.

7. CONTRACTOR'S LIABILITY AND INDEMNITY OBLIGATIONS: City and its elected officials, officers, agents and employees (collectively, "Indemnitees") shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof, or for any of the materials or other things used or employed in performing the work; or for injury or damage to any person or persons, either workmen, employees of Contractor or subcontractors or the public, or for damage to adjoining or other property from any cause whatsoever, arising out of or in connection with Contractor's performance of this Contract. Contractor shall be responsible for any damage or injury to any person or property resulting from defects or obstructions or from any cause whatsoever, except the sole negligence or willful misconduct of any of the Indemnitees during the progress of the work or at any time before its completion and final acceptance.

To the maximum extent permitted by law, Contractor shall defend, indemnify and hold the Indemnitees, and each of them, free and harmless with respect to any and all actions, claims, damages to persons or property, penalties, obligations, liens, stop notices, and/or liabilities that may be asserted or claimed by any person, firm, entity, corporation, political subdivision or other organization, arising out of or in connection with the acts, omissions, operations, activities, and/or willful misconduct of Contractor, its agents, employees, subcontractors, or invitees in the performance of this Agreement, whether or not there is concurrent passive or active negligence on the part of City.

- a. Contractor shall defend (including the appointment of competent counsel, and engagement of all necessary experts, consultants, and the like) any claim or action filed in connection with any of such claims, damages, penalties, obligations, and/or liabilities and will pay all fees, costs and expenses, including reasonable attorneys' and experts' fees incurred in connection therewith.
- b. In connection with Contractor's indemnification obligation herein, Contractor shall promptly pay any judgment or award rendered against the Contractor and/or any or all of the Indemnitees, or settlement in lieu of a judgment, if approved in advance by City.
- c. In the event any of the Indemnitees are made a party to any claim, action or proceeding filed or prosecuted against Contractor for damages or other claims arising out of or in connection with the work, operations or activities of Contractor under this Contract, Contractor agrees to pay any and all costs and expenses incurred by any or all of the Indemnitees with respect to such claim, action or proceeding together with reasonable attorneys' and experts' fees and costs.
- d. In the event of Contractor's default of its indemnity obligations, City may retain any of the monies due to Contractor under this Contract as a set off for City's costs incurred in defending any such claim, action or proceeding which may be subject to Contractor's defense and indemnity obligations herein.
- 8. NON-DISCRIMINATION: No discrimination shall be made in the employment of persons upon public works because of age, disability, race, color, religion, sex, sexual orientation or national origin of such persons, and every Contractor for public works

- violating this section is subject to all the penalties imposed for a violation of Division 2, Part 7, Chapter 1 of the Labor Code in accordance with the provisions of Section 1735 of that Code.
- 9. CONTRACT PRICE AND PAYMENT: City shall pay to Contractor for furnishing the material and doing the prescribed work according to the unit prices and/or lump sum set forth in the Scope of Work and Fee Schedule, **Exhibit A** hereto.
- 10. LICENSES: Contractor is aware of California Labor Code Sections 1777.1 and 1777.7, which prohibit Contractor or any subcontractors who have been found by the Labor Commissioner or the Director of Industrial Relations to be in violation of certain provisions of the Labor Code, from bidding on, being awarded, or performing work as a contractor or subcontractor on a public works project for specified periods of time.

Pursuant to Public Contract Code Section 6109 and California Business and Professions Code Section 7028.15, Contractor shall be licensed as required by the Contractors' State License Board of the State to perform the work. Pursuant to Public Contract Code Section 3300, at all times during the term of this Contract, Contractor shall possess a Class C-10 California contractor's license.

Contractor has investigated and will ensure that any subcontractor possesses a valid specialty trade license in its trade as required by law.

- 11. WARRANTY. The warranty applicable to the equipment and materials purchased by City pursuant to this Contract shall be as specified in **Exhibit A**.
- 12. ANTITRUST CLAIMS: Pursuant to Public Contract Code Section 7103.5, Contractor offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the California Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
- 13. OWNERSHIP OF DOCUMENTS AND WORK PRODUCT: All documents, plans, specifications, reports, photographs, images, video files and media created or developed by Contractor pursuant to this Contract ("Written Products") shall be and remain the property of City without restriction or limitation upon its use, duplication or dissemination by City. All Written Products shall be considered "works made for hire," and all Written Products and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City. Contractor shall not obtain or attempt to obtain copyright protection as to any Written Products.

Contractor hereby assigns to City all ownership and any and all intellectual property rights to the Written Products that are not otherwise vested in City pursuant to the paragraph directly above.

Contractor warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the services and the production of all Written Products produced under this Contract, and that City has full legal title to and the right to reproduce the Written Products. Contractor shall defend, indemnify and hold City, and its elected officials, officers, employees, servants, attorneys, designated volunteers, and agents serving as independent contractors in the role of City officials, harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Written Products is violating federal, State or local laws, or any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Contractor shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Written Products produced under this Contract. In the event the use of any of the Written Products or other deliverables hereunder by City is held to constitute an infringement and the use of any of the same is enjoined, Contractor, at his or her expense, shall: (a) secure for City the right to continue using the Written Products and other deliverables by suspension of any injunction, or by procuring a license or licenses for City; or (b) modify the Written Products and other deliverables so that they become non-infringing while remaining in compliance with the requirements of this Contract. This covenant shall survive the termination of this Contract.

Upon termination, abandonment or suspension of the Project, Contractor shall deliver to City all Written Products and other deliverables related to the Project. If Contractor prepares a document on a computer, Contractor shall provide City with that document both in a printed format and in an acceptable electronic format.

- 14. THIRD-PARTY CLAIM: Pursuant to Public Contract Code Section 9201, City has full authority to compromise or otherwise settle any claim relating to this Contract at any time. City shall timely notify Contractor of the receipt of any third-party claim relating to the Contract. City shall be entitled to recover its reasonable costs incurred in providing the notification required by Public Contract Code Section 9201(b).
- 15. INDEPENDENT CONTRACTOR: Contractor is and shall at all times remain, as to City, a wholly independent contractor. The personnel performing the Services under this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officers, officials, employees, agents, or volunteers shall have control over the conduct of Contractor or any of Contractor's employees except as set forth in this Contract, and Contractor is free to dispose of all portions of its time and activities which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations at Contractor wishes except as expressly provided in this Contract. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent.

Contractor shall not, at any time or in any manner, represent that it or any of its agents, servants or employees are in any manner agents, servants or employees of City. Contractor agrees to pay all required taxes on amounts paid to Contractor under this Contract, and to

indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Contract. Contractor shall fully comply with the workers' compensation law regarding Contractor and its employees, and Contractor further agrees to indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any fees due to Contractor under this Contract any amount due to City from Contractor as a result of its failure to promptly pay to the City any reimbursement or indemnification arising under this section.

- 16. ASSIGNMENT: Contractor shall not assign or transfer any interest in this Contract or any part thereof, whether by assignment or novation, without City's prior written consent. Any purported assignment without written consent shall be null and void, and Contractor shall hold harmless, defend and indemnify City and its officers, officials, employees, agents and representatives with respect to any claim, demand or action arising from any unauthorized assignment.
- 17. GOVERNING LAW AND VENUE: Should either party to this Contract bring legal action against the other, the validity, interpretation, and performance of this Contract shall be controlled by and construed under the laws of the State, excluding California's choice of law rules. Venue for any such action relating to this Contract shall be in the Los Angeles County Superior Court.
- 18. ATTORNEYS' FEES: If any legal action or other proceeding, including action for declaratory relief, is brought for the enforcement of this Contract or because of an alleged dispute, breach, default or misrepresentation in connection with this Contract, the prevailing party shall be entitled to recover actual attorneys' fees, experts' fees, and other costs, in addition to any other relief to which the party may be entitled.
- 19. NOTICES: Except as otherwise required by law, any notice, request, direction, demand, payment, consent, waiver, approval or other communication required or permitted to be given hereunder to City shall not be effective unless it is given in writing and shall be delivered (a) in person or (b) by certified mail, postage prepaid, and addressed to City at the address stated below, or at such other address as City may hereafter notify Contractor in writing as aforementioned:

To CITY:

Helen Shi Senior Civil Engineer City of Manhattan Beach 1400 Highland Avenue Manhattan Beach, California 90266

Telephone: 310.802.5354 Email: hshi@citymb.info Kimberly Raub DDL Traffic, Inc. 14658 Central Ave. Chino, CA. 91710 Telephone: 714.454.7051

Email: kimberly@ddltraffic.com

To CONTRACTOR: At Contractor's address as set forth in its bid.

If sent by mail, any notice, tender, demand, delivery or other communication shall be deemed effective three business days after it has been deposited in the United States mail. For purposes of communicating these time frames, weekends and federal, state, religious, County of Los Angeles or City holidays shall be excluded. No communication via facsimile or electronic mail shall be effective to give any such notice or other communication hereunder.

- 20. ENTIRE AGREEMENT: This Contract, including any other documents incorporated herein by reference, represents the entire integrated agreement between City and Contractor and supersedes all prior or contemporaneous negotiations, representations, agreements, understandings and statements, written or oral. This Contract may only be modified or amended, or provisions or breach may be waived, by written agreement signed by both parties. The provision of this Contract shall govern over any inconsistent provisions contained in any Exhibit.
- 21. NON-WAIVER OF TERMS, RIGHTS AND REMEDIES: Waiver by either party of any one or more of the conditions of performance under this Contract shall not be a waiver of any other condition of performance under this Contract. In no event shall the making by City of any payment to Contractor constitute or be construed as a waiver by City of any breach of covenant, or any default which may then exist on the part of Contractor, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.
- 22. SEVERABILITY: Whenever possible, each provision of this Contract shall be interpreted in such a manner as to be valid under applicable law. If any term or portion of this Contract is determined by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remaining provisions of this Contract shall nevertheless continue in full force and effect and shall in no way be affected, impaired or invalidated.
- 23. PREVAILING WAGES: Notwithstanding any statement to the contrary in Contractor's proposal or quote, City and Contractor acknowledge that this project is a public work to which prevailing wages apply. The document titled "Labor Code and Prevailing Wage Requirements" is attached hereto as **Exhibit C**. Contractor shall comply with all provisions of **Exhibit C**.

IN WITNESS WHEREOF, the parties hereto have caused these present to be duly executed with all the formalities required by law on the respective dates set forth opposite their signatures.

City:	Contractor:
City of Manhattan Beach, a California municipal corporation	DDL Traffic, Inc. a California corporation
By: Name: Bruce Moe Title: City Manager ATTEST:	By: Name: Adolfo Timenes Title: Vice President
By: Name: Liza Tamura Title: City Clerk	PROOF OF AUTHORITY TO BIND CONTRACTING PARTY REQUIRED
APPROVED AS TO FORM:	
By: Name: Quinn M. Barrow Title: City Attorney APPROVED AS TO FISCAL CONTENT:	
By: Name: Steve S. Charelian Title: Finance Director APPROVED AS TO CONTENT:	
By: Name: Stephanie Katsouleas Title: Public Works Director	

Exhibit A SCOPE OF WORK & FEE SCHEDULE

Total contract amount not to exceed \$148,902.61.

The Contractor will have 60 days after the execution of this contract to fulfill preconstruction items, including confirmation and purchase of the material. Within 30 days of the Notice of Proceed for installation, the Contractor is required to install preemption system at all intersections and emergency vehicles.

Seventeen (17) 764 Multimode Phase Selectors to be ordered upon execution of this contract.

Seventeen (17) GPS Mast Arm Intersection Antennas to be ordered upon execution of this contract once the signal pole replacement project at Valley/Ardmore and Manhattan Beach Boulevard is complete (CITY will instruct when to place order; estimated February 2020).

Seventeen (17) GPS Cables (250 Feet per intersection) cameras to be ordered upon execution of this contract.

Seventeen (17) AB-0155 Pelco Brackets to be ordered upon execution of this contract.

Five (5) GPS Vehicle Kits to be ordered upon execution of this contract.

Seventeen (17) GPS devices to be ordered upon execution of this contract.

Vendor will not invoice for preemption equipment until installation is complete and the system is operational for the entire project. The seventeen (17) intersections are listed below:

Highland Ave/ 45th St

Highland Ave/ 40th St

Highland Ave/Rosecrans Ave

Highland Ave/33rd St

Highland Ave/ Marine Ave

Rosecrans Ave/ Village Dr

Rosecrans Ave/Manhattan Beach Marriott Dr

Rosecrans Ave/ Market Pl

Rosecrans Ave/Redondo Ave

Rosecrans Ave/Manhattan Gateway

Marine Ave/Aviation Blvd

Manhattan Beach Blvd/Ardmore Ave/Valley Dr

Manhattan Beach Blvd/Aviation Blvd

Artesia Blvd/Meadows Ave

Artesia Blvd/Peck Ave

Artesia Blvd/Aviation Blvd

Artesia Blvd/Aviation Way

Qty	Model No.	Description	Unit Price	Price
17		764 Phase Selector	\$2,946.00	\$50,082.00
17		GPS Mast Arm Intersection Antenna	\$2,841.00	\$48,297.00
17		GPS Cable/ 250' per intersection	\$275.00	\$4,675.00
17		AB-0155 Pelco Bracket	\$85.00	\$1,445.00
5		GPS Vehicle Kits	\$3,192.00	\$15,960.00
17	GPS intersection installation	\$1,000.00	\$17,000.00	
			SUB TOTAL	\$137,459.00
			TAX 9.5%	\$11,443.61
			TOTAL	\$148,902.61

Warranty

In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to the City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of five years from the date of delivery; and the product shall be fit for its intended purpose. All repairs during the warranty period shall be promptly performed at Contractor's expense including shipping.

Exhibit B

CITY INSURANCE REQUIREMENTS

- A. <u>Minimum Scope and Limits of Insurance</u>. Contractor shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:
- 1) Commercial General Liability Insurance with a minimum limit of \$2,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$2,000,000.00 per project or location. If Contractor is a limited liability company, the commercial general liability coverage shall be amended so that Contractor and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.
- Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$2,000,000.00 per accident for bodily injury and property damage. If Contractor does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Contractor shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Exhibit B.
- 3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Contractor has no employees while performing Services under this Agreement, workers' compensation policy is not required, but Contractor shall execute a declaration that it has no employees.
- 4) Professional Liability Insurance with minimum limits of \$2,000,000.00 per claim and in aggregate.
- B. <u>Acceptability of Insurers</u>. The insurance policies required under this Exhibit B shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self insurance shall not be considered to comply with the insurance requirements under this Section 9.
- C. <u>Additional Insured</u>. The commercial general and automobile liability policies shall contain an endorsement naming City, its officers, employees, agents and volunteers as additional insureds.
- D. <u>Primary and Non-Contributing</u>. The insurance policies required under Contract shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.

- E. <u>Contractor's Waiver of Subrogation</u>. The insurance policies required under Contract shall not prohibit Contractor and Contractor's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against City.
- F. <u>Deductibles and Self-Insured Retentions</u>. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Contractor shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Contractor shall procure a bond guaranteeing payment of losses and expenses.
- G. <u>Cancellations or Modifications to Coverage</u>. Contractor shall not cancel, reduce or otherwise modify the insurance policies required by Contract during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under Contract is canceled or reduced in coverage or limits, Contractor shall, within two business days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.
- H. <u>City Remedy for Noncompliance</u>. If Contractor does not maintain the policies of insurance required under Contract in full force and effect during the term of this Agreement, or in the event any of Contractor's policies do not comply with the requirements under Exhibit B, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Contractor's expense, the premium thereon. Contractor shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Contractor.
- I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Contractor shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under Contract. The endorsements are subject to City's approval. Contractor may provide complete, certified copies of all required insurance policies to City. Contractor shall maintain current endorsements on file with City's Risk Manager. Contractor shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Contractor shall furnish such proof at least two weeks prior to the expiration of the coverages.
- J. <u>Indemnity Requirements not Limiting</u>. Procurement of insurance by Contractor shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's duty to indemnify City under Section 8 of this Agreement.
- K. <u>Subcontractor Insurance Requirements</u>. Contractor shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Exhibit B.

Exhibit C

LABOR CODE AND PREVAILING WAGE REQUIREMENTS

- Contractor acknowledges that the project as defined in this Contract between Contractor and the City, to which this Terms for Compliance with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"). Further, Contractor acknowledges that this Contract is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
- 2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 of this **Exhibit C**.
- 3. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Contract are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Contract.
- 4. The project is subject to compliance monitoring and enforcement by the DIR. Contractor shall post job site notices, as prescribed by regulation.
- 5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. Contractor shall, as a penalty to the City, forfeit two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Contract by Contractor or by any subcontractor.
- 6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to: keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform the City of the location of the records. Contractor and each subcontractor shall comply with and be bound by the provisions of Labor Code Section 1771.4(a)(3), which requires that each Contractor and each subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner at least monthly, in a format prescribed by the Labor Commissioner.
- 7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code Title 8, Section 200 et seq. concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations.

Prior to commencing work under this Contract, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Contract, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Contract.

- 8. Contractor acknowledges that eight hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Contract by Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code Section 1815, work performed by employees of Contractor in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.
- 9. Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:
 - "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."
- 10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.
- 11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel reasonably acceptable to City) City, its officials, officers, employees, agents and independent contractors serving in the role of City officials, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with this Contract, including without limitation the payment of all consequential damages, attorneys' fees,

and other related costs and expenses. All duties of Contractor under this Section shall survive termination of this Contract.