

INSPECTION SERVICES AGREEMENT

This Inspection Services Agreement ("Agreement") is dated November 2, 2021 ("Effective Date") and is between the City of Manhattan Beach, a California municipal corporation ("City") and Ardurra Group Inc., a Florida Corporation ("Consultant"). City and Consultant are sometimes referred to herein as the "Parties", and individually as a "Party".

RECITALS

A. City desires to utilize the services of Consultant as an independent contractor to provide inspection services for the Parking Structure Lot 3 Repairs project.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

C. City desires to retain Consultant and Consultant desires to serve City to perform these services in accordance with the terms and conditions of this Agreement.

The Parties therefore agree as follows:

1. Consultant's Services.

A. Scope of Services. Consultant shall perform the services described in the Scope of Services (the "Services") for professional inspection of the Parking Structure Lot 3 Repairs Project, attached as **Exhibit A**. City may request, in writing, changes in the Scope of Services to be performed. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

B. Party Representatives. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the "City Representative"). For the purposes of this Agreement, the Consultant Representative shall be Omar Alameddine, Inspection Services Manager / Senior Construction Manager (the "Consultant Representative"). The Consultant Representative shall directly manage Consultant's Services under this Agreement. Consultant shall not change the Consultant Representative without City's prior written consent.

C. Time for Performance. Consultant shall commence the Services on the Effective Date and shall perform all Services by the deadline established by the City Representative or, if no deadline is established, with reasonable diligence.

D. Standard of Performance. Consultant shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

E. Personnel. Consultant has, or will secure at its own expense, all personnel required to perform the Services required under this Agreement. All of the Services required under this Agreement shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such Services.

F. Compliance with Laws. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes, regulations and requirements.

G. Permits and Licenses. Consultant shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of Services under this Agreement, including a business license.

H. Prevailing Wages. This Agreement calls for services that, in whole or in part, constitute “public works” as defined in the California Labor Code. Therefore, as to those services that are “public works”, Consultant shall comply in all respects with all applicable provisions of the California Labor Code, including those set forth in **Exhibit C** hereto.

2. Term of Agreement. The term of this Agreement shall be from the Effective Date through December 31, 2023, unless sooner terminated as provided in Section 12 of this Agreement or extended.

3. Compensation.

A. Compensation. As full compensation for Services satisfactorily rendered, City shall pay Consultant at the hourly rates set forth in the Approved Fee Schedule attached hereto as **Exhibit B**. In no event shall Consultant be paid more than \$61,400.00 (the “Maximum Compensation”) for such Services.

B. Expenses. The amount set forth in paragraph 3.A above includes reimbursement for all expenditures incurred in the performance of this Agreement.

C. Unauthorized Services and Expenses. City will not pay for any services not specified in the Scope of Services, or reimburse for any expenses not set forth in **Exhibit B**, unless the City Council or the City Representative, if applicable, and the Consultant Representative authorize such services or expenses in writing prior to Consultant’s performance of those services or incurrence of additional expenses. Any additional services authorized by the City Council, or (where authorized) the City Manager shall be compensated at the rates set forth in **Exhibit B**, or, if not specified, at a rate mutually agreed to by the Parties. Any additional expense authorized by the City Council or (where authorized) the City Manager shall be reimbursed in the amounts authorized by the City Council or City Manager. City shall make payment for additional services and expenses in accordance with Section 4 of this Agreement.

4. Method of Payment.

A. Invoices. Consultant shall submit to City an invoice, on a monthly basis, for the Services performed pursuant to this Agreement. Invoices must be submitted to

Bianca Cardenas, Senior Engineering Technician, at bcardenas@manhattanbeach.gov . Each invoice shall itemize the Services rendered during the billing period, hourly rates charged, if applicable, and the amount due. City shall review each invoice and notify Consultant in writing within ten Business days of receipt of any disputed invoice amounts.

B. Payment. City shall pay all undisputed invoice amounts within 30 calendar days after receipt up to the Maximum Compensation set forth in Section 3 of this Agreement. City does not pay interest on past due amounts. City shall not withhold federal payroll, state payroll or other taxes, or other similar deductions, from payments made to Consultant. Notwithstanding the preceding sentence, if Consultant is a nonresident of California, City will withhold the amount required by the Franchise Tax Board pursuant to Revenue and Taxation Code Section 18662 and applicable regulations.

C. Audit of Records. Consultant shall make all records, invoices, time cards, cost control sheets and other records maintained by Consultant in connection with this Agreement available during Consultant's regular working hours to City for review and audit by City.

5. Independent Contractor. Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City.

6. Information and Documents.

A. Consultant covenants that all data, reports, documents, surveys, studies, drawings, plans, maps, models, photographs, discussion, or other information (collectively "Data and Documents") developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by City. City shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the City Manager or unless requested in writing by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary," provided Consultant gives City notice of such court order or subpoena.

B. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City may, but has no obligation to, represent Consultant or be present at

any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct or rewrite the response.

C. All Data and Documents required to be furnished to City in connection with this Agreement shall become City's property, and City may use all or any portion of the Data submitted by Consultant as City deems appropriate. Upon completion of, or in the event of termination or suspension of this Agreement, all original Data and Documents, including computer files containing data generated for the Services, notes, and other documents prepared in the course of providing the Services shall become City's sole property and may be used, reused or otherwise disposed of by City without Consultant's permission. Consultant may take and retain copies of the written products as desired, but the written products shall not be the subject of a copyright application by Consultant.

D. Consultant's covenants under this Section shall survive the expiration or termination of this Agreement.

7. Conflicts of Interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's Services under this Agreement, including the Political Reform Act (Gov. Code § 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar Services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the City Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this Section into any subcontract that Consultant executes in connection with the performance of this Agreement.

8. Indemnification, Hold Harmless, and Duty to Defend.

A. Indemnities.

1) To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees

(or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Consultant shall pay all required taxes on amounts paid to Consultant under this Agreement, and 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 Agreement. Consultant shall fully comply with the workers' compensation law regarding Consultant and Consultant's employees. Consultant shall indemnify and hold City harmless from any failure of Consultant to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this subparagraph A.2).

3) Consultant shall obtain executed indemnity agreements with provisions identical to those in this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. If Consultant fails to obtain such indemnity obligations, Consultant shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from and against any and all Liabilities at law or in equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, consultants or their officers, agents, servants or employees (or any entity or individual that Consultant's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees as determined by court decision or by the agreement of the Parties.

B. Workers' Compensation Acts not Limiting. Consultant's indemnifications and obligations under this Section, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless and indemnification provisions in this Section shall apply

regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, tax, assessment, penalty or interest asserted against City.

D. No Design Services. Contractor acknowledges that the Services to be provided pursuant to this Agreement do not require the services of a “design professional,” as the term is defined in California Civil Code Section 2782.8(c), and that therefore the provisions of California Civil Code Section 2782.8 do not apply to this Agreement.

E. Survival of Terms. Consultant’s indemnifications and obligations under this Section shall survive the expiration or termination of this Agreement.

9. Insurance.

A. Minimum Scope and Limits of Insurance. Consultant 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 Consultant is a limited liability company, the commercial general liability coverage shall be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) 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 Consultant does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Consultant shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Section.

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 Consultant has no employees while performing Services under this Agreement, workers’ compensation policy is not required, but Consultant shall execute a declaration that it has no employees.

4) Professional Liability/Errors and Omissions Insurance with minimum limits of \$2,000,000.00 per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Section 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.

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City, and its elected and appointed officials, officers, employees, agents and volunteers as additional insureds. This provision shall also apply to any excess/umbrella liability policies.

D. Primary and Non-Contributing. The insurance policies required under this Section 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 elected and appointed officials, officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Section shall not prohibit Consultant and Consultant's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant shall not cancel, reduce or otherwise modify the insurance policies required by this Section 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 this Section is canceled or reduced in coverage or limits, Consultant 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. City Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Section in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements under this Section, 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 Consultant's expense, the premium thereon. Consultant shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Consultant shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Section. The endorsements are subject to City's approval. Consultant may provide complete, certified copies of all required insurance policies to City. Consultant shall maintain current endorsements on file with City's Risk Manager. Consultant 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. Consultant shall furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify City under Section 8 of this Agreement.

K. Broader Coverage/Higher Limits. If Consultant maintains broader coverage and/or higher limits than the minimums required above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

L. Subcontractor Insurance Requirements. Consultant shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section.

10. Mutual Cooperation.

A. City's Cooperation. City shall provide Consultant with all pertinent Data, documents and other requested information as is reasonably available for Consultant's proper performance of the Services required under this Agreement.

B. Consultant's Cooperation. In the event any claim or action is brought against City relating to Consultant's performance of Services rendered under this Agreement, Consultant shall render any reasonable assistance that City requires.

11. Records and Inspections. Consultant shall maintain complete and accurate records with respect to time, costs, expenses, receipts, correspondence, and other such information required by City that relate to the performance of the Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to City, its designees and representatives at reasonable times, and shall allow City to examine and audit the books and records, to make transcripts therefrom as necessary, and to inspect all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three years after receipt of final payment.

12. Termination of Agreement.

A. Right to Terminate. City may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to Consultant at least five calendar days before the termination is to be effective. Consultant may terminate this Agreement

at any time, at will, for any reason or no reason, after giving written notice to City at least 60 calendar days before the termination is to be effective.

B. Obligations upon Termination. Consultant shall cease all work under this Agreement on or before the effective date of termination specified in the notice of termination. In the event of City's termination of this Agreement due to no fault or failure of performance by Consultant, City shall pay Consultant based on the percentage of work satisfactorily performed up to the effective date of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the Services required by this Agreement. Consultant shall have no other claim against City by reason of such termination, including any claim for compensation.

13. Force Majeure. Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to acts of God, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

14. Default.

A. Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default.

B. In addition to the right to terminate pursuant to Section 12, if the City Manager determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, City shall serve Consultant with written notice of the default. Consultant shall have ten calendar days after service upon it of the notice in which to cure the default by rendering a satisfactory performance. In the event that Consultant fails to cure its default within such period of time, City may, notwithstanding any other provision of this Agreement, terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

15. Notices. Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant's and City's regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO CITY:

City of Manhattan Beach
Attn: Engineering, Bianca Cardenas
1400 Highland Avenue
Manhattan Beach, California 90266
Telephone: 310.802.5357
Email:
bcardenas@manhattanbeach.gov

TO CONSULTANT:

Ardurra Group, Inc.
Attn: Omar Alameddine, Inspection
Services Manager
1960 E. Grand Avenue, Suite 300
El Segundo, California 90245
Telephone: 310.359.1203, Ext. 8106
Email: oalameddine@ardurra.com

COPY TO CITY ATTORNEY:

City of Manhattan Beach
Attn: City Attorney
1400 Highland Avenue
Manhattan Beach, CA 90266

16. Non-Discrimination and Equal Employment Opportunity. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

17. Prohibition of Assignment and Delegation. Consultant shall not assign any of its rights or delegate any of its duties under this Agreement, either in whole or in part, without City's prior written consent. City's consent to an assignment of rights under this Agreement shall not release Consultant from any of its obligations or alter any of its primary obligations to be performed under this Agreement. Any attempted assignment or delegation in violation of this Section shall be void and of no effect and shall entitle City to terminate this Agreement. As used in this Section, "assignment" and "delegation" means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

18. No Third Party Beneficiaries Intended. This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

19. Waiver. No delay or omission to exercise any right, power or remedy accruing to City under this Agreement shall impair any right, power or remedy of City, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach,

any failure of a condition, or any right or remedy under this Agreement shall be (1) effective unless it is in writing and signed by the Party making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

20. Final Payment Acceptance Constitutes Release. The acceptance by Consultant of the final payment made under this Agreement shall operate as and be a release of City from all claims and liabilities for compensation to Consultant for anything done, furnished or relating to Consultant's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Consultant, its employees, subcontractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Consultant, its employees, subcontractors and agents.

21. Corrections. In addition to the above indemnification obligations, Consultant shall correct, at its expense, all errors in the work which may be disclosed during City's review of Consultant's report or plans. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by City, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, City may deduct the cost of such correction from any retention amount held by City or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

22. Non-Appropriation of Funds. Payments to be made to Consultant by City for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that City does not appropriate sufficient funds for payment of Consultant's services beyond the current fiscal year, this Agreement shall cover payment for Consultant's services only to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

23. Exhibits. Exhibits A, B, and C constitute a part of this Agreement and are incorporated into this Agreement by this reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

24. Entire Agreement and Modification of Agreement. This Agreement and all exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Agreement and supersede all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except

those expressly set forth in this Agreement. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by both Parties.

25. Headings. The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the Parties to this Agreement.

26. Word Usage. Unless the context clearly requires otherwise, (a) the words “shall,” “will” and “agrees” are mandatory and “may” is permissive; (b) “or” is not exclusive; and (c) “includes” or “including” are not limiting.

27. Time of the Essence. Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

28. Business Days. “Business days” means days Manhattan Beach City Hall is open for business.

29. Governing Law and Choice of Forum. This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of California, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a superior court with geographic jurisdiction over the City of Manhattan Beach.

30. Attorneys’ Fees. In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys’ fees, experts’ fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

31. Severability. If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

32. Counterparts. This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument.

33. Corporate Authority. Each person executing this Agreement on behalf of his or her Party warrants that he or she is duly authorized to execute this Agreement on behalf of that Party and that by such execution, that Party is formally bound to the provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

City of Manhattan Beach,
a California municipal corporation

Consultant:

Ardurra Group, Inc.,
a Florida Corporation

By: _____

Name: Bruce Moe
Title: City Manager

By: _____

Name: Lisa Penna
Title: Managing Principal

ATTEST:

By: _____

Name: Dino D'Emilia
Title: PMCM Group Leader

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 IMPACT:

By: _____

Name: Steve S. Charelian
Title: Finance Director

APPROVED AS TO CONTENT:

By: _____

Name: Erick Lee
Title: Public Works Director

EXHIBIT A SCOPE OF SERVICES

Team Organization Chart



Subconsultant

We have invited inspectors from **Advanced Service Industries, Inc. (ASI)** to augment our in-house staff and provide special inspections and materials testing as needed. ASI is a family-owned certified Small Business Enterprise (SBE) in California that provides qualified and experienced professionals specializing in construction QA/QC services. Established in 2004, ASI specializes in construction inspection, materials and nondestructive testing, and QA/QC services throughout California. ASI offers a superior level of service to its clients through customized programs specific to each project. This approach allows them to offer all necessary services throughout the duration of the project at the most cost-effective level. This service-centric approach has positioned ASI as a leading inspection and testing firm throughout California.

Inspection Scope of Services

Ardurra will provide the following services.

1. Review the plans and specifications thoroughly prior to the preconstruction meeting.
2. Establish effective communications with the contractor, City staff, business/property owners, and the general public.
3. Ensure compliance with the plans, specifications, and other requirements, such as, but not limited to, the contract, traffic control, Cal/OSHA Standards, CCO, permits, California Building Code, and ASTM standards.
4. Monitor extra work.
5. Perform project oversight for the monitoring of damage to existing infrastructure, and replacement of infrastructure to City Standards.
6. Attend weekly construction meetings.
7. Keep daily diaries (log), fill out incident (accident) reports, and take pictures of the project. A daily inspection report identifying work done by the contractor shall be submitted to the City's project manager on the next business day for review and filing.
8. Review contractor's daily reports, progress payments, and contract change order proposals.
9. Document all contractor delays, reasons for delay, length of time for delay, and phases of work.
10. Monitor and provide supporting documentation on the personnel and equipment that is involved with any extra work performed by the contractor. Determine whether the work of the contractor is being performed in accordance with the requirements of the contract documents and endeavor to guard the City against defects and deficiencies in such work.
11. During the course of inspection and monitoring of the work, if Ardurra's inspector observes an unsafe situation, the inspector shall notify the contractor of the violation and provide written notification of such infraction to the contractor. If the contractor refuses to comply, our inspector shall notify the City and Cal/OSHA.
12. Measure and tabulate contract quantities.
13. Review the contractor's invoices, verify completed work, and approve all quantities.
14. Prepare a list of items for correction (punch list) and prepare redlined as-built plans.
15. Prepare status report for project close out and all applicable documents as closeout file.
16. Ardurra understands that its inspector does not have the authority to allow deviations from the contract plans and specifications.
17. Ardurra's inspectors will possess a digital camera and provide digital images of the project to the City in JPG format.
18. Ardurra's inspectors will possess a vehicle and mobile phone for immediate contact by the City, show proof of valid California driver's license, and insurance.
19. Ardurra's normal working hours will be from 7:30 a.m. to 4:30 p.m. Monday through Friday. Saturday work will be permitted 9:00 a.m. to 6:00 p.m.
20. Perform other related duties as required.

Special Inspection Scope of Services (Optional)

If needed, Ardurra's subconsultant, Advanced Services Industries, Inc., shall provide special inspection services and material testing services as required.

Approach

Ardurra's approach to performing the scope of services listed above is detailed below.

The Ardurra quality assurance and inspection team firmly believes that the key to a successful project is more than just performing tasks outlined in a scope of work. Any competent team can follow a set of written guidelines. The key to a successful project is performing each task with a realistic and clear understanding of what the real intent of the project is and constructing the final product with a "win-win" attitude.

Inspection of public construction projects requires a proactive approach with talented staff. Ardurra owes the successful completion of hundreds of client projects to our ability to find and maintain excellent professional staff, and our dedication to organization, documentation, and the proactive management of the construction process. Our keen understanding of, and experience with the public process and the public construction contract administration also results in a smoother project experience. Our team's experience and our proactive approach enable Ardurra to stay ahead of the contractor and maintain the project on track for successful completion, on time and within budget.

A successful project is built by fostering good relationships and trust between the design team, client agencies and the contractor. Before our team can begin to accomplish its goals, we must first understand the viewpoints of not only the involved agencies, but also the viewpoints of the designers, contractors, the public and other affected project stakeholders. We must have the ability to analyze critical situations from all viewpoints and work with the Project Team to develop the best solution. The Ardurra Construction Management and Inspection team understands these varying viewpoints because we have worked for and/or managed design consultants, contractors, and several public agencies.

Management Approach

The Ardurra inspection approach starts with the end in mind. That end being a successful project delivered safely, on time, within budget and with quality in the constructed product.

Ardurra delivers inspection systems and procedures developed by construction managers and inspectors. These tools are scalable and customized to best fit client's project need and budget, and to integrate with the City's way of doing business. From simple, time-tested forms and procedures to state-of-the-art CM and web-based systems, Ardurra delivers small and large projects on time and under budget, while keeping our client up to date on a "real-time" basis.

Quality Assurance/Quality Control (QA/QC) Management Process

Ardurra's construction management quality assurance / quality control process starts with standardization of successful procedures. All projects utilize Ardurra's standardized project electronic filing system, which is mirrored with a binder-based hard copy indexed system. Ardurra's electronic filing system is a cloud-based system accessible real-time to all Ardurra project team members as well as its client as requested.

Daily, weekly and periodic correspondences, logs and reports are regularly reviewed for accuracy, up to date maintenance, aging, escalation of issues, appropriateness, potential changes and/or claims and contract compliance.

Ardurra CM and inspection staff are equipped with the latest computer, software, smart phone, internet field connectivity devices. Additionally, Ardurra provides its staff with all required tools, standards, and equipment. Ardurra employs both an in-house and outsourced IT support services that continuously monitor and maintain Ardurra technology systems.

In addition, Ardurra offers its employees excellent benefits, encourages and compensates for continuous education, resulting in a loyal team of professionals with longevity of service that are on top of the latest industry trends.

Potential Construction Challenges

Safety First and foremost, Ardurra always considers safety the most important issue on any construction project. Ardurra managers and inspectors are at a minimum 10-hour OSHA certified. Ardurra inspectors will confirm and document that the contractor has competent safety personnel and site-specific safety programs employed on the project at all times and will monitor the contractor's operations for compliance with the project safety requirements and requisite provisions of State and Federal Law.

Public Relations The Ardurra team is empathetic to the motorists, residents, and businesses that are affected by construction operations, and we are well-versed at mitigating such impacts throughout the construction process. We take a proactive approach to reach out to the public, resulting in the successful completion of public works improvement projects in close proximity to adjacent property owners. The projects are adjacent to varying densities of residential properties as well as retail, commercial and educational uses. Strict adherence to allowable working hours, and noise and dust control requirements will be imperative to minimize impacts.

Protocol and Communication Timely and concise communications are essential to the successful completion of any construction project. Protocol will be determined as appropriate for each project and maintained for the project duration. Communications and correspondence will be handled in a professional and respectful manner. Ardurra equips its CM team with the state of the art in electronic management hardware and software, such that electronic documentation is utilized for as much of the required documentation as possible.

Temporary and Permanent Utilities Utility conflicts are the primary cause of change orders, delays and claims on construction projects. Careful coordination of potholing operations along with early and continuous coordination with utilities is imperative to ensure timely availability of temporary and permanent services. Ardurra inspectors have extensive experience assisting contractors in dealing with local utilities on complex utility coordination projects for other agencies as well as for utility agencies directly.

Storm Water Pollution Prevention Plan Bidders should be clearly apprised of the minimum requirements to mitigate stormwater during each phase of construction. It is recommended a SWPPP be included in the bid package with corresponding separate bid items. The Ardurra team is well-versed at verifying best management practices and monitoring establishment, maintenance and modification of SWPPP measures on complex multi-phase projects.

Schedule The ability of the inspector to monitor, track and control the contractor rests both on the adequacy of the specifications and schedule requirements set forth to the contractor as well as on the inspector's understanding of controlling operations and due diligence while observing the progress of the work. Ardurra inspectors work proactively and cooperatively with contractors on a weekly basis to review and coordinate upcoming activities, drilling down on each activity to identify key quality assurance, safety, pedestrian control, submittals and/or documentation requirements necessary to successfully implement upcoming activities. The Weekly Statement of Working Days report is utilized to document the expenditure of Contract Time and work (or lack thereof) on controlling activities.

Substitutions and Submittals Timely procurement of materials and equipment for any building construction project is imperative. By submitting its bid, the contractor is indicating it can successfully procure and construct the necessary components within the allotted time. Ardurra inspectors will assist the City to continuously monitor that the contractor submits each item in a timely manner and that the review and approval of each item is not unnecessarily delayed by the City and/or A/E review process. Inspectors will verify that materials received at the project site comply with approved submittals prior to allowing incorporation into the work.

Requests for Information (RFIs) Contractors typically utilize the RFI process to initiate changes on construction contracts. Ardurra inspectors assist with the review all RFIs and clearly document that responses are clarification and that no additional

cost or time will be considered. Should a response to an RFI appear to potentially impact cost or time, Ardurra inspectors will assist in the identification and implementation of the most cost and quality effective alternative to resolve each issue.

Contractor's Representation Consistent and competent representation by the contractor is a key factor in the successful completion of any building project. The public works industry in Southern California is a haven for contractors that act as brokers, constructing projects using a small management staff and all else by subcontractors. While some are successful at this approach, the contractor's ability to maintain quality control is substantially lower in a low bid environment. Ardurra inspectors work proactively and cooperatively with contractor staff to monitor proper supervision during construction operations.

Change Management / Claims resolution Ardurra inspectors will not defer difficult issues and will assist with processing only change issues that have been analyzed and determined to have merit. Ardurra inspectors will assist the City to arrive at the most reasonable cost and time and/or appropriate alternatives to avoid the impact.

Specific Approach to Scope of Services

Preconstruction Conference Ardurra inspectors will assist the coordination and participate in the Preconstruction Meeting. The Ardurra inspector will provide input for the agenda and minutes, which typically include the following items:

- Introductions of key personnel
- City responsibilities
- Safety
- Project overview
- Confirmation of fully executed Contract Documents and Notice to Proceed
- Establishment of Contract Time and Completion Date
- Review of Working Day definition and holiday schedule
- Common overall project goals will be identified
- Chain of communication and key contacts
- Public relations
- The scope will be discussed and clearly defined
- Critical design elements, schedule and cost factors will be discussed
- Experience and key roles in the project will be discussed
- Past project experiences will be discussed to identify potential pitfalls
- Jurisdictional agencies and the contractor
- Discussion of Master Schedule
- Sub-contracts
- Integration of utility coordination activities into schedule
- Documentation and tracking controls
- Change order procedures
- Scope, schedule and cost change administration, notification requirements and controls
- Submittal and RFI process
- Identify long lead and any substitution and/or equal items and testing – review call-out requirements and deputy/special and testing requirements
- Review survey for consistency with the design
- Progress payment procedures
- Labor compliance
- Rights-of-way

- Easements and special access considerations
- Placement of signs
- Questions and answers
- Action item assignments

Safe Conditions Ardurra will monitor project work and adjacent areas for unsafe conditions, promptly require corrective measures to be addressed by the contractor in compliance with the contract documents and report such issues and corrective measures taken to the City. One of the most pervasive job hazards across all public works projects is construction adjacent to live traffic lanes. Ardurra inspectors are intimately familiar with monitoring and enforcing proper traffic controls per the WATCH Handbook, MUTCD and/or project-specific Traffic Control / Traffic Handling / Detour plans. Inspectors drive and/or walk the project limits at the start, during and before leaving the site each day to monitor proper, and/or require corrections to the required traffic control measures.

Quality Assurance Ardurra will enforce the quality assurance plan, in conformance with the City's Quality Assurance Manual, or as developed by Ardurra and the City for the specific needs of the project. Ardurra will perform and/or coordinate QA/QC activities daily and review activities as they happen, to make sure that QA/QC procedures are followed, and deficiencies are resolved in a timely and efficient manner. Ardurra inspector(s) will visit the site on a part-time or full-time basis, as required by the City, during the normal working hours and when critical activities require to verify construction progress and to verify that all work conforms to contract requirements. Deputy and special inspection and materials sampling and testing will be coordinated and provided as required by the final plans and specifications. The inspector will monitor testing services, track documentation and review testing results. The inspector will also review test reports submitted by others to substantiate compliance and ensure that Certificates of Compliance or source release tags are furnished by the contractor along with the applicable delivered materials at the project site. When necessary, corrective measures will be implemented and re-inspected / re-tested to verify acceptable completion. Ardurra inspectors will reject work that does not conform to the requirements of the contract documents and will promptly report unacceptable work to the City and contractor. Rejected work will be thoroughly documented, photographed, and tracked until repaired or replaced to the satisfaction of the City.

Materials and Workmanship Ardurra inspectors will recommend approval of materials and workmanship that meet the contract requirements, in coordination with the authority of the consulting engineer, architect, fire inspector, deputy inspector, or other authorized representative or regulatory authorities having jurisdiction.

Daily Construction Observation Reports Ardurra and/or the deputy / specialty soils and materials inspectors will compile daily observation reports documenting the contractor's workforce, material and equipment used, a summary of construction activities, field problems, disputes or claims, resolutions of issues and directions given to the contractor. Ardurra proposes using its PDF writable and scalable daily report format for consistent and thorough documentation of daily construction weather conditions, SWPPP/BMP compliance, general housekeeping and traffic control compliance, progress, manpower and equipment, quantity measurement, selected photos, and other key project data. Completed daily reports will be transmitted to the City on a weekly basis.

Photographs Inspectors prepare and maintain an electronic photo journal documenting the construction progress. Photos shall be taken before construction begins, during construction and upon completion of the project.

Weekly Statement of Working Days Ardurra inspectors prepare a weekly statement of working days documenting the construction progress, time of completion, delays, and time extensions, and submit to contractor and the City on a weekly basis.

Utility Coordination Ardurra inspectors will assist contractors in dealing with local utilities to coordinate and expedite temporary and permanent utility installations, utility relocations utility access structure adjustments, etc.

Submittal Processing Ardurra inspectors will assist with review of contractor submittals, as requested by the City, for completeness and general conformance with the contract documents. Ardurra inspectors will compare approved submittals with materials delivered to the project to confirm the proper products are incorporated into the constructed product.

RFIs Ardurra inspectors will assist, as requested by the City, with the review and resolution of RFIs submitted by the contractor. Ardurra will identify potential impacts to cost or time that may result due to issues identified in RFIs, with recommended alternatives or solutions to mitigate the potential impacts.

Documentation Interpretation and Technical Assistance Ardurra inspectors expedite coordination and expediting between the contractor, design team and City staff to clarify any questions for interpretation of the construction documents. Timely, firm, and fair determinations will be processed to minimize cost and time impacts to the project.

Problems and Solutions The Ardurra proactive approach serves to anticipate and expeditiously resolve field problems. Our team is well trained in problem solving. All issues are processed with a sense of urgency and presented to the City with suggested alternatives, cost and schedule impacts and recommended solutions. The inspection team will quickly implement the alternative, which suits the best interests of the project and the City.

Ardurra will effectively and expeditiously communicate with City staff, design consultants, and the contractor, as applicable, to identify conflicts construction problems, coordination issues, and will obtain the needed action and response to submittals and RFIs.

Document Tracking System Current project files shall be kept at the job site, or at a location agreeable to the City, and shall always be available to the City. These files will consist of the contract, correspondence relating to or modifying the contract, proposal requests, clarifications, permits, logs, reports, RFIs, field orders, change orders, claims inspection reports, plans, specifications, submittals, test reports, etc. (as distributed to the Ardurra inspector by the City or other project participants).

The table below illustrates the typical deliverables that are implemented on Ardurra inspection projects:

Item	Method	Frequency
Master Schedule	Review Contractor Submittals	Monthly or as submitted by contractor
Look-Ahead Schedule	Review Contractor Submittals	Weekly
Correspondence	Outlook, Speed Memos	Daily / continuous
Project Documentation	Hard Files and Electronic Files	Daily / continuous
Submittals	Assist with review Contractor Submittals	Daily, as required. 72-hour turnaround
RFIs	Assist City with determining responses issued by City	Daily, as required. 72-hour turnaround
Progress Payments	Assist City with determining measurement of quantities to be paid	Measurements – daily. Tentative progress payment application review - Monthly
Inspection Reports	PDF (writeable / scalable)	Compiled daily, delivered weekly
Weekly Statements of Working Days	(City's format) Compiled in Excel or Word, delivered in PDF	Weekly

Item	Method	Frequency
SWPPP/BMP Compliance	Review Contractor Submittals, QSP reports and daily compliance	As applicable
Public Relations Inquiries	Excel (Log)	As required
Photo	Explorer	Daily
Project Contacts	Outlook	Daily
Meetings	Participation in periodic progress meetings	As required

Schedule Review Ardurra inspectors are intimately familiar with mainstream scheduling software utilized by the public works contracting industry, including, but not limited to Primavera P6® and Microsoft Project®. The Ardurra inspector will assist the City to review the baseline construction schedule, including activity sequences and duration, schedule of submittals and schedule of delivery for products with long lead-times. The inspection team will evaluate the baseline project schedule for the following:

- Consistency with the contract schedule (completion within the contract time)
- Accurate start dates, completion dates, other dates detailed in the contract
- Any impacts of weather and change orders
- Sufficient detail – including submittal process and procurement requirements
- Sequence of construction and correct schedule logic
- Identification of the critical path and project float

The schedule will not be recommended for approval as the baseline until all discrepancies are resolved.

Schedule Control During the progress of construction, the Ardurra inspection team will compare the contractor's monthly schedule updates to the baseline schedule and any approved time extensions, note any shortcomings and monitor and track corrections by the contractor to keep the Project Schedule on track. A look-ahead schedule, updated weekly, will be obtained from the contractor, and presented at the weekly construction progress meetings. This tool will keep the entire team proactively looking ahead and will facilitate efficient handling of project activities and issues. If necessary, Ardurra will assist the City with negotiations for time extensions due to change orders or other delays.

SWPPP Ardurra inspectors will enforce all provisions of the Storm Water Pollution Prevention Plan and/or other requisite requirements set forth in the specifications. Ardurra CM staff is well-versed in SWPPP monitoring through provision of dedicated services for oversight of developers and contractors on behalf of several public agencies. SWPPP requirements will be monitored in collaboration with the contractor's QSP inspector. Any deficiencies noted will be addressed with the contractor for immediate remedy. Upon a weather report of expecting rain, a site walk will be conducted to ensure that SWPPP BMP measures are in place and well maintained.

Change Orders Ardurra inspectors will assist the City with the consideration and negotiation of change orders as requested. The inspector will assist the City to determine whether a change notice should be considered. When requested by the City the inspector will assist with reviewing the contractor's change order proposals for reasonableness and completeness. Upon approval and execution of change orders, the inspector will expedite and review the timely completion of the work and coordinate inclusion of the change order in the appropriate payment application.

Daily Extra Work Reports The inspector will verify and sign contractor's daily extra work reports documenting force account (time and materials) work. Ardurra will monitor that only appropriate worker classifications necessary for approved time and materials work is included on extra work reports. Any inappropriate workforce and/or equipment charges will be promptly rejected and removed from extra work reports.

Progress Payment Processing A cost control system, based on the contractor's schedule of values, approved change orders and the contract amount shall be developed and implemented to monitor progress costs. Monthly cost reports will be submitted to the City as a component of the Monthly Progress Report.

Ardurra's inspector will review the payment applications submitted by the contractor and determine whether the amount requested reflects the progress of the contractor's work. appropriate adjustments to each payment application will be required by the contractor. When the payment application is acceptable and all backup documentation is verified (certified payrolls, lien releases, etc.), the inspector will prepare and forward to the City a Progress Payment Report. The Report shall state the total contract price, payments to date, current payment requested, retainage and actual amounts owed for the current period. The Ardurra inspection team is experienced evaluating complex pay applications. It is critical to the City's best interest that payment application review be performed accurately and prudently to maintain the prime and subcontractor incentives to perform on the projects.

Construction Meetings, Schedule, and Conduct Field Meetings The inspector will assist with coordinating, and participate in, the following meetings as required:

- Weekly Progress Meetings – with typical agenda including:
 - Contractor's detailed 4-week look-ahead schedule
 - Progress and major decisions during the last week
 - Update of unresolved items from previous meetings
 - Status of submittals and change orders
- Special meetings to discuss important/urgent issues or which require detailed discussion or review of plans and specifications

Written Instruction Ardurra will issue written instructions to the contractor regarding routine matters and/or follow-up of verbal instructions as necessary to properly document project issues.

Plans, Specs and As-Builts Ardurra inspectors periodically review the contractor's as-built updates on the approved job plan set, identify missing items and require the contractor to keep as-built records up to date throughout the project. Ardurra inspectors keep their own set of as-built plans which will note the location of subsurface utilities encountered and/or installed, identify where any design or field changes were required (utilizing the corresponding RFI and/or change order numbers) and note the location of critical building components that are covered by finish work. At the end of the project, the final as-built plans are submitted the City.

Delivery Closeout Documents Ardurra's inspector will enforce the provisions of the specifications to require the contractor to submit well-coordinated operations and maintenance manuals, warranties and guarantees, bonds, extra stock and/or other items required by the contract documents such that a timely closeout of the project is implemented. Ardurra will perform closeout duties including final organization of project files and submit to the City for final approval and assist with the filing of the notice of completion and release of retention.

Pre-Final Inspection The inspector will coordinate with appropriate project stakeholders, perform the final job walk and prepare the punch list (deficiency list). The inspector will coordinate and observe completion of required corrections.

Final Inspection Satisfactory completion of all punch list items is verified before the inspector recommends processing of the "Notice of Completion". Ardurra is noted for our attention to detail. Not only have we excelled at closing out our own projects, but we have been requested to and successfully closed out problem client projects in which our services were not initially utilized. Upon completion of the punch list and final signoff by all project stakeholders, Ardurra's inspector will make recommendation to City regarding contractor's final progress payment request and prepare final progress payment report for submission to the City.

Post Construction Support Ardurra can assist the City with resolution of post construction issues such as user department inquiries and issues, resolution of stop notices or notices from the labor commissioner, etc., on a time and materials basis upon the City's request.

Project Controls Ardurra maintains tight project controls on all its client contracts and subcontracts through a systematic approach that initiates at the time of contract award. The Ardurra assigned project manager works with Ardurra's accounting department to set up the client project on only those Ardurra staff members that are approved to work on the contract / project. Other support staff are deployed as needed under Ardurra's overhead administration process. Our web-based timecard system provides multi-level reporting features that provide real-time analytics for monitoring contract budgets. Subconsultant and client invoices are carefully reviewed for adherence to personnel, hourly rate, task, and overall budgetary constraints. If project issues arise and appear that they may cause additional work or delays, the project manager works cooperatively with the client to identify the most efficient solutions to minimize impacts to budget and schedule.

EXHIBIT B
APPROVED FEE SCHEDULE

Proposed Estimated Fee Construction Inspection Services City of Manhattan Beach Parking Structure Lot 3 Repairs Project No. D-940					
TASK NAME	No. Working Days	Est. Hours Per Day	Total Hours	Hourly Rate	Extended Fee
Public Works Inspector (Prevailing Wage) ^{1, 2, 3, 5, 6}	80	4	320	\$ 145.00	\$ 46,400.00
Public Works Inspector (Prevailing Wage - Special Shift) ^{1, 2, 3, 4, 5, 6}			-	\$ 147.00	-
SUBTOTAL INSPECTION SERVICES					\$ 46,400.00
<i>Optional Services (Allowance)</i>					
Special Inspection Allowance			-	\$ 10,000.00	\$ 10,000.00
Lab/Testing Fees Allowance			-	\$ 5,000.00	\$ 5,000.00
Total Estimated Fee					\$ 61,400.00

Notes:

1. The above hourly rates include wages, fringe and general and administrative overhead and fee, as well as typical supplies, tools and equipment required to perform services.
2. Overtime: No weekday, Saturday, holiday, or Sunday work is assumed or included. Should any weekday or Saturday overtime inspection be required, it is charged at 1.4 times the rate shown. For Sundays and holidays inspection billing,

rates are 1.80 times the above rate, upon the City's prior written approval, therefore. Rate applies to the first four hours of overtime during the week; all overtime in excess of four hours is paid at the Sunday / holiday rate.

3. Prevailing Wage Rates are subject to increases pursuant to the State of California's Department of Industrial Relations Wage Rate Determinations. Ardurra's Billing Rates will increase in proportion to the DIR increase, plus overhead and profit. The current rates are based on Determination # SC-23-63-2-2020-2D Issued 8/22/2020 (including the predetermined increase on 7/1/2021).
4. A Special Shift is any shift that starts after 5:00 PM and before 6:00 AM.
5. Minimum callout: The following minimum callout applies to inspection staff, in accordance with Industrial Welfare Commission Order No. 16-2001:
 - Cancellation of 8 hrs scheduled inspection after inspector's arrival on site: 4-hour minimum
 - Cancellation of 4 hrs scheduled inspection after inspector's arrival on site: 2-hour minimum
6. For contracts involving public works inspection services, Ardurra requires the awarding public agency to complete DIR form PWC-100 solely for Ardurra as the prime contractor specific to the awarded contract name and amount.

Other Direct Costs (ODCs): Reimbursement of identifiable non-salary costs that are directly attributable to the project such as oversized and/or color reproduction costs, site facility hard phone line and/or internet service charges, travel expenses to remote fabrication yards / batch plants, overnight postage or couriers, etc., are billed at actual cost plus five percent (5%) to cover overhead and administration. Travel charges to a casting/fabrication yard or batch plant will include the hourly billing rate plus travel expenses as listed in the Caltrans Travel Guide (State rates). Non-commuting mileage required for travel on the project and to and from locations other than the project site are billed at the allowable IRS mileage reimbursement rate (currently \$0.58 per mile). ODCs are not anticipated for the scope of services listed in the RFP and will be billed only if requested and added to the contract in writing by the City.

Fees for Subconsultant Services: Billed at actual cost, plus 15 percent (15%) to cover overhead and administration. No subconsultants are anticipated for the scope of services listed in the RFP and will be billed only if requested and added to the contract in writing by the City.

Escalation: This rate schedule is effective through May 31, 2022. Should the contract duration be extended beyond May 31, 2022, rates will be subject to increases in the prevailing wage rate and overhead increases based on current Los Angeles - Riverside-Orange County Consumer Price Index to accommodate inflationary trends, salary adjustments and the general cost of doing business, as mutually agreeable to the parties and approved via contract amendment prior to implementing higher rates. In the event the contract is subject to delays that are beyond Ardurra's control, a request will be made to increase the billing rates to Ardurra's current standard rates and the client will use all reasonable effort to allow such billing rate increase.

Exclusions to Scope and Fee: The following items are specifically excluded:

- Legal advice
- Surveying
- Materials, soils and/or hazardous materials testing or monitoring
- Construction labor, materials and/or equipment
- Copies of plans and specifications or other oversized drawings
- Additional services not specifically called for in the proposal
- Expert witness services
- Standby services

Ardurra will submit any unanticipated expenses to the City for approval prior to invoicing said expense.

EXHIBIT C
TERMS FOR COMPLIANCE WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. This Agreement calls for services that, in whole or in part, constitute “public works” 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 Agreement is subject to (a) Chapter 1 and (b) the rules and regulations established by the Department of Industrial Relations (“DIR”) implementing such statutes. Therefore, as to those Services that are “public works”, 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 above.

3. Contractor shall be registered with the Department of Industrial Relations in accordance with California Labor Code Section 1725.5, and has provided proof of registration to City prior to the Effective Date of this Agreement. Contractor shall not perform work with any subcontractor that is not registered with DIR pursuant to Section 1725.5. Contractor and subcontractors shall maintain their registration with the DIR in effect throughout the duration of this Agreement. If the Contractor or any subcontractor ceases to be registered with DIR at any time during the duration of the project, Contractor shall immediately notify City.

4. Pursuant to Labor Code Section 1771.4, Contractor’s Services are subject to compliance monitoring and enforcement by DIR. Contractor shall post job site notices, as prescribed by DIR regulations.

5. 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 Agreement 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 Agreement.

6. 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. The Contractor shall, as a penalty to City, forfeit \$200.00 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 Agreement by Contractor or by any subcontractor.

7. 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 City of the location of the records.

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

9. The Contractor shall not perform Work with any Subcontractor that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. The Contractor and Subcontractors shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. If the Contractor or any subcontractor becomes debarred or suspended during the duration of the project, the Contractor shall immediately notify City.

10. 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. The Contractor shall, as a penalty to City, forfeit \$25.00 for each worker employed in the performance of this Agreement by the 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.

11. California 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.”

12. 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.

13. 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 the Agreement, 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 the termination of the Agreement.