

CITY OF MENIFEE

MASTER CONTRACT SERVICES AGREEMENT FOR ARPA-QUALIFIED SINGLE-FAMILY HOME IMPROVEMENT GRANT PROJECTS

THIS MASTER CONTRACT SERVICES AGREEMENT FOR ARPA-QUALIFIED SINGLE-FAMILY HOME IMPROVEMENT GRANT PROJECTS (“Agreement”) is made and effective this _____ day of _____, 2023 (“Effective Date”) by and between the CITY OF MENIFEE, a California municipal corporation, (“City”) and «Contractor», a «Entity_Type» (“Contractor”). City and Contractor are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

SECTION 1. SERVICES.

1.1 Background. City received funding through the American Rescue Plan Act (“ARPA”) Sections 602(b) and 603(b) of the Social Security Act, Pub. L. No. 117-2 (March 11, 2021) overseen by the U.S. Department of the Treasury (“Treasury”). The Final Rule, released on January 6, 2022, provides a comprehensive list of eligible expenditures, encouraged expenditures, and prohibited expenditures. To participate in the Program, a homeowner applies for certain home improvements to be made to the home. For qualified homeowners, City facilitates specified home improvements and uses ARPA Funds to pay for those home improvements. Each participating homeowner enters into a construction contract with the contractor selected to perform the work for the specific homeowner’s home improvements.

1.2 Purpose. The purpose of this Agreement is to authorize Contractor to provide services on an ARPA-qualified project through purchase orders issued by the City Manager or designees (each a “Purchase Order”) subject to the terms and conditions herein (the “Services”).

1.3 No Guaranteed Work. The Parties acknowledge that this Agreement serves as a master services agreement to establish Contractor as an approved contractor which may perform Services as part of the Program for the City pursuant to Purchase Order(s) issued in the discretion of the City Manager. This Agreement does not guarantee that Contractor will be issued any work from City, or any particular amount of work, including for any Services. By entering into this Agreement, Contractor is obtaining the ability to receive Purchase Orders from the City Manager, and the City is obtaining the ability to issue Purchase Orders without a requirement for subsequent City Council approval.

1.4 Quotes for Work. Prior to issuing a Purchase Order, City shall solicit at least three (3) quotes from pre-approved contractors for the work subject the specific Purchase Order.

1.5 Commencement of Work. Contractor shall not commence work until Contractor has received a signed Purchase Order from City. Any work commenced by Contractor prior to the receipt of a signed Purchase Order shall not be paid or compensated in any manner.

1.6 Term. This Agreement shall become effective on the Effective Date and shall continue until the date which is eighteen (18) months from the Effective Date (“Term”). The time provided to Contractor to complete the Services required by this Agreement shall not affect City’s right to terminate this Agreement.

1.7 Purchase Order(s). Contractor agrees to furnish Services pursuant to Purchase Order(s) issued by the City Manager or designee in the form attached hereto as Exhibit A, which is attached hereto and incorporated herein by this reference. Each Purchase Order includes all work for a specific homeowner who is participating in the Program.

1.8 Standard of Performance.

a. Quality of Work. As a material inducement to City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the Services contemplated herein. Contractor shall at all times faithfully, competently, and to the best of its ability, experience, and talent, perform all Services described herein. Contractor covenants that it shall follow the highest professional standards in performing the Services required hereunder and that all materials will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase "highest professional standards" shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances, and to the sole satisfaction of the Contract Administrator.

b. Care of Work. Contractor shall adopt reasonable methods during the term of this Agreement to furnish continuous protection to the Services, and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence.

c. Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contractor shall at all times be in compliance with all applicable local, state, and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

d. Warranty. Contractor warrants all work under this Agreement (which for purposes of this Subsection 1.8 shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one (1) year (or the period of time specified elsewhere in this Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by City of any defect in the work or non-conformance of the work to this Agreement, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at Contractor's sole cost and expense. In addition, Contractor shall, at

its sole cost and expense, repair and replace any portions of the work (or work of other contractors) damaged by Contractor's defective work or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected, Contractor's obligation hereunder to correct defective work shall be reinstated for an additional one (1) year period, commencing with the date of acceptance of such corrected work.

e. Skilled and Trained Workforce. Contractor, for itself and its subcontractors at every tier, hereby provides an enforceable commitment to comply with California Public Contract Code section 2600 et seq., which requires use of a skilled and trained workforce to perform all work on the agreements that fall within an apprenticeable occupation in the building and construction trades.

f. Inspection and Final Acceptance. The Services shall be performed to the satisfaction of City. City may inspect and accept or reject any of Contractor's work under this Agreement, during performance and/or when completed. City shall reject or finally accept Contractor's work within forty five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud, and such gross mistakes as amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 4 and Section 5, pertaining to insurance and indemnification, respectively. For Services performed on a mobile home, the California Department of Housing and Community Development ("HID") may also inspect Contractor's work performed pursuant to this Agreement.

1.9 Assignment of Personnel. Contractor shall assign only competent personnel to perform the Services. Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the Services. Contractor shall notify City of any changes in Contractor's staff and subcontractors, if any, assigned to perform the Services, prior to and during any such performance. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Contractor shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.10 Time. Time is of the essence in the performance of this Agreement. Contractor shall devote such time to the performance of the Services pursuant to this Agreement as may be reasonably necessary to satisfy Contractor's obligations hereunder. Contractor shall commence the Services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all Services within the time period(s) established therein. When requested by Contractor, extensions to the time period(s) specified in the Purchase Order may be approved in writing by the Contract Administrator but not shall not exceed one hundred eighty (180) days cumulatively.

1.11 Force Majeure. The time period(s) specified in the notice to proceed for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including City, if Contractor

shall within ten (10) days of the commencement of such delay notify the Contract Administrator in writing of the causes of the delay. The Contract Administrator shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the sole judgment of the Contract Administrator such delay is justified. The Contract Administrator's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Contractor be entitled to recover damages against City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of this Agreement pursuant to this Section.

1.12 Further Responsibilities of the Parties. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless otherwise specified in this Agreement, neither Party shall be responsible for the service of the other.

SECTION 2. COMPENSATION.

2.1 Not to Exceed Compensation. Contractor shall be compensated for the Services and any approved reimbursable expenses as set forth in the relevant Purchase Order, and in no event shall City's compensation to Consultant for a Purchase Order exceed the amount set forth therein. The compensation set forth in the Purchase Order represents total compensation payable to Contractor without limitation to compensation for salary, overhead, benefits, fees, or other costs incurred by Contractor in performance of the Purchase Order. In no event shall compensation for Services exceed the "not to exceed" compensation amount set forth in the Purchase Order. The compensation amount set forth on a Purchase Order shall not exceed twenty thousand dollars (\$20,000). In no event shall the cumulative compensation under all Purchase Orders issued pursuant to this Agreement exceed one hundred thousand dollars (\$100,000).

2.2 Method of Compensation. The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the Services; or (iii) such other methods as may be specified in Purchase Order.

2.3 Invoices. Contractor shall submit invoices monthly during the term of this Agreement, based on the cost for the Services performed and reimbursable costs incurred prior to the invoice date. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Subcontractor charges shall also be detailed by such categories. Invoices shall be signed by a Principal and contain homeowner and project information, Purchase Order number, scope of work completed, and cost of work completed.

Invoices shall be submitted to:

City of Menifee
Attn: Accounts Payable
29844 Haun Road
Menifee, CA 92586

2.4 City Payment of Invoices. City shall independently review each invoice submitted by Contractor to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. City will use its best efforts to cause Contractor to be paid within thirty (30) days of receipt of Contractor's correct and undisputed invoice. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor for correction and resubmission. Pursuant to California Public Contract Code Section 20104.50, Contractor is notified that for public works Services, City's failure to pay undisputed and properly submitted invoices within thirty (30) days shall be subject to interest at the legal rate set forth in Code of Civil Procedure Section 685.010.

2.5 Total Payment. City shall not pay any additional sum for any expense or cost whatsoever incurred by Contractor in rendering the Services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement. In no event shall Contractor submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entirety of the Services performed pursuant to this Agreement, unless this Agreement is modified in writing prior to the submission of such an invoice.

2.6 Hourly Fees. If applicable, fees for the Services performed by Contractor on an hourly basis shall not exceed the amounts shown on Purchase Order.

2.7 Reimbursable Expenses. Reimbursable expenses are included within Purchase Order. Contractor shall not be entitled to any additional compensation for the attendance of meetings reasonably deemed necessary by City for the execution of the Services.

2.8 Payment of Taxes. Contractor is solely responsible for the payment of employment taxes incurred under this Agreement and any federal or state taxes.

2.9 Payment upon Termination. In the event that City or Contractor terminates this Agreement pursuant to Section 8, City shall compensate Contractor for all outstanding costs and reimbursable expenses incurred for Services satisfactorily completed and for reimbursable expenses as of the date of written notice of termination. Contractor shall maintain adequate logs and timesheets in order to verify costs and reimbursable expenses incurred to that date.

2.10 No Waiver. Payment to Contractor for Services performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

SECTION 3. FACILITIES AND EQUIPMENT.

3.1 Contractor Provides Facilities and Equipment. Except as otherwise provided, Contractor shall, at its sole cost and expense, provide all facilities and equipment necessary to perform the Services required by this Agreement. In no event shall City be required to furnish any facility or equipment that may involve incurring any direct expense.

SECTION 4. INSURANCE REQUIREMENTS.

Before beginning any work under this Agreement, Contractor, at its own cost and expense, shall procure the types and amounts of insurance listed below and provide certified copies of

insurance policies and original endorsements, indicating that Contractor has obtained or currently maintains insurance that meets the requirements of this Section and which is satisfactory, in all respects, to City. Contractor shall maintain the insurance policies required by this Section throughout the term of this Agreement. The cost of such insurance shall be included in Contractor's compensation. Contractor shall not allow any subcontractor, Contractor or other agent to commence work on any subcontract until Contractor has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Contractor acknowledges the insurance policy must cover inter-insured suits between City and other insureds. Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which Contractor may be held responsible for the payment of damages to any persons or property resulting from Contractor's activities or the activities of any person or persons for which Contractor is otherwise responsible nor shall it limit Contractor's indemnification liabilities as provided in Section 5. Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide, or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Contract Administrator in the Contract Administrator's sole discretion. If this Agreement continues for more than three (3) years duration, or in the event the Contract Administrator determines that the Services to be performed under this Agreement creates an increased or decreased risk of loss to City, Contractor agrees that the minimum limits of the insurance policies required by Section 4 may be changed accordingly upon receipt of written notice from the Contract Administrator; provided that Contractor shall have the right to appeal a determination of increased coverage by the Contract Administrator to the City Council of City within ten (10) days of receipt of notice from the Contract Administrator.

4.1 Workers' Compensation. Contractor shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor pursuant to the provisions of the California Labor Code. Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident, ONE MILLION DOLLARS (\$1,000,000.00) disease per employee, and ONE MILLION DOLLARS (\$1,000,000.00) disease per policy. In the alternative, Contractor may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or Contractor, if a program of self-insurance is provided, shall waive all rights of subrogation against City and its officers, officials, employees, and authorized volunteers for loss arising from the Services performed under this Agreement. Pursuant to California Labor Code Section 1860, Contractor is required to secure the payment of compensation to Contractor's employees. Pursuant to California Labor Code Section 1861, Contractor hereby submits to City the following:

I am aware of the provisions of Section 3700 of the California 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.

Contractor Initial: _____

4.2 Commercial General and Automobile Liability Insurance.

a. General Requirements. Contractor, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage, for risks associated with the Services contemplated by this Agreement, TWO MILLION DOLLARS (\$2,000,000.00) general aggregate, and TWO MILLION DOLLARS (\$2,000,000.00) products/completed operations aggregate. If a Commercial General Liability Insurance or an Automobile Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Services to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from the Services contemplated under this Agreement, including the use of hired, owned, leased, and non-owned automobiles.

b. Minimum Scope of Coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 Code 2, 8, and 9 including “any auto” and endorsement CA 0025 or equivalent). No endorsement shall be attached limiting the coverage.

c. Additional Requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

(i) The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

(ii) The policy must cover inter-insured suits and include a “Separation of Insureds” or “severability” clause which treats each insured separately.

(iii) The insurance must be maintained for at least one (1) year following the completion of the Services or the expiration or termination of this Agreement.

(iv) Any failure of Contractor to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

4.3 Professional Liability Insurance.

a. General Requirements. Contractor, at its own expense, shall maintain professional liability insurance appropriate to Contractor’s profession. This coverage may be written on a “claims made” basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of, or related to the Services performed under this Agreement. The insurance must be maintained for at least five (5) consecutive years following the completion of

the Services or the expiration or termination of this Agreement. During this additional five (5)-year period, Contractor shall annually and upon request of City submit written evidence of this continuous coverage.

b. Claims-Made Limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

(i) The retroactive date of the policy must be shown and must be no later than the commencement of the Services.

(ii) If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the Effective Date of this Agreement, Contractor must provide extended reporting coverage for a minimum of five (5) years after the expiration or termination of this Agreement or the completion of the Services. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the Services under this Agreement. City shall have the right to exercise, at Contractor's sole cost and expense, any extended reporting provisions of the policy, if Contractor cancels or does not renew the coverage.

(iii) A copy of the claim reporting requirements must be submitted to City prior to the commencement of the Services under this Agreement.

4.4 Pollution Liability Insurance. Contractor, at its own expense, shall maintain pollution liability insurance written on a per occurrence for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per pollution incident and ONE MILLION DOLLARS (\$1,000,000.00) in the general aggregate. The policy shall apply to any incidents at or from any location on which Contractor performs the Services under this Agreement. The insurance must be maintained for at least one (1) year following the completion of Contractor's services or the expiration or termination of this Agreement.

4.5 All Policies Requirements.

a. Verification of Coverage. Prior to beginning the Services under this Agreement, Contractor shall furnish City with certificates of insurance, additional insured endorsement or policy language granting additional insured status complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. The certificate of insurance must include the following reference: «Contract Title». The name and address for additional insured endorsements, certificates of insurance and notice of cancellation is: City of Menifee, 29844 Haun Road, Menifee, CA 92586. City must be endorsed as an additional insured for liability arising out of ongoing and completed operations by or on behalf of Contractor.

b. Notice of Reduction in or Cancellation of Coverage. Contractor shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible

or self insured retention is increased. In the event any of said policies of insurance are cancelled, Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 4 to the Contract Administrator.

c. Additional Insured; Primary Insurance. City and its officers, employees, agents, and authorized volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of the Services performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products and completed operations of Contractor, as applicable; premises owned, occupied, or used by Contractor; and automobiles owned, leased, or used by Contractor in the course of providing the Services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or authorized volunteers. The insurance provided to City as an additional insured must apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by City. Additional insured status shall continue for one (1) year after the expiration or termination of this Agreement or completion of the Services.

A certified endorsement must be attached to all policies stating that coverage is primary insurance with respect to City and its officers, officials, employees, and volunteers, and that no insurance or self-insurance maintained by City shall be called upon to contribute to a loss under the coverage. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against City, its officers, employees, agents, authorized volunteers, and their respective insurers.

d. Deductibles and Self-Insured Retentions. Contractor shall obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the Services. During the term of this Agreement, only upon the prior express written authorization of the Contract Administrator, Contractor may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Contractor procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

e. Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

f. Variation. The Contract Administrator may, but is not required to, approve in writing a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that City's interests are otherwise fully protected.

4.6 Remedies. In addition to any other remedies at law or equity City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option, exercise any of the following

remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Contractor's breach:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement;
- b. Order Contractor to stop work under this Agreement or withhold any payment that becomes due to Contractor hereunder, or both stop work and withhold any payment, until Contractor demonstrates compliance with the requirements hereof; and/or
- c. Terminate this Agreement.

SECTION 5. INDEMNIFICATION.

5.1 Indemnification for Professional Liability. Where the law establishes a professional standard of care for performance of the Services, to the fullest extent permitted by law, Contractor shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, officials, volunteers, and agents from and against any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort, contract, under statute, at law, in equity, or otherwise) charges, awards, assessments, fines, or penalties of any kind (including costs and expenses incurred by City and reasonable consultant and expert fees and expenses of investigation, costs of whatever kind and nature and, if Contractor fails to provide a defense for City, the legal costs of counsel retained by City) and any judgment (collectively, "Claims") to the extent same are caused in whole or in part by any negligent or wrongful act, error, or omission of Contractor, its officers, agents, employees, or subcontractors (or any entity or individual that Contractor shall bear the legal liability thereof) in the performance of professional services under this Agreement.

5.2 Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contractor shall indemnify, protect, defend (with counsel selected by City), and hold harmless City, and any and all of its officers, employees, officials, volunteers, and agents from and against any and all Claims, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contractor or by any individual or entity for which Contractor is legally liable, including but not limited to officers, agents, employees or subcontractors of Contractor. Contractor will promptly pay any judgment rendered against City, its officers, agents, or employees for any such Claims arising out of or in connection with the performance of or failure to perform such Services, operations or activities of Contractor hereunder.

5.3 Subcontractors. Contractor shall incorporate similar indemnity agreements with its subcontractors. Contractor shall be fully responsible to indemnify City, and failure of City to monitor compliance with these provisions shall not be a waiver hereof.

5.4 Limitation of Indemnification. The provisions of this Section 5 do not apply to claims occurring as a result of City's sole or active negligence. The provisions of this Section 5 shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officers, officials, employees, and agents acting in an official capacity.

In the event any applicable law contains a limitation on indemnification under this Agreement, such limitation shall supersede the provisions herein only to the extent required by said law.

SECTION 6. INDEPENDENT CONTRACTOR.

At all times during the term of this Agreement, Contractor shall be an independent contractor and shall not be an employee of City. City shall have the right to control Contractor only insofar as the results of the Services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.9; however, otherwise City shall not have the right to control the means by which Contractor accomplishes the Services rendered pursuant to this Agreement. The personnel performing the Services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Contractor shall not at any time or in any manner represent that it is or any of its officers, employees, or agents are in any manner officers, officials, employees, or agents of City. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner. Except for the fees paid to Contractor as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contractor for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contractor for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contractor shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venturer or a member of any joint enterprise with Contractor.

SECTION 7. LEGAL REQUIREMENTS.

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Contractor and any subcontractor shall comply with all applicable local, state, and federal laws and regulations applicable to the performance of the work hereunder, including the ARPA Requirements and the legal requirements set forth in Exhibit B attached to this Agreement. "ARPA Requirements" shall collectively refer to the Uniform Guidance found at 2 C.F.R. Part 200 (except 2 C.F.R. sections 200.318 through 200.327, as amended from time to time, ARPA, regulations issued by the Treasury governing the expenditure of monies distributed from the ARPA Funds (including, without limitation, the Final Rule (87 Fed. Reg. 4,338 Jan. 27, 2022) and the Interim Final Rule (88 Fed. Reg. 64,986 Sept. 20, 2023)), the Award Terms and Conditions applicable to the ARPA Funds, and such other guidance as Treasury has issued or may issue governing the expenditure of monies distributed from the ARPA Funds, and the requirements set forth and referred to in Exhibit B attached to this Agreement. In the case of any conflict between the ARPA Requirements and this Agreement, the ARPA Requirements shall control; it being understood, however, that in order to be in compliance

with this Agreement and the ARPA Requirements, Contractor shall, to the extent possible, comply with the most restrictive provisions in this Agreement and the ARPA Requirements. Contractor shall not hire or employ any person to perform work within City or allow any person to perform the Services required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States. Contractor acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contractor shall require the same of all subcontractors.

7.3 Prevailing Wages. Contractor acknowledges and agrees that it shall be independently responsible for reviewing the applicable prevailing wage laws and regulations and effectuating compliance with such laws, including, but not limited to the prevailing wage and related requirements set forth in this Subsection 7.3. Contractor shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of California Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

a. Public Work. Contractor hereby expressly acknowledges and agrees that City has never previously affirmatively represented to Contractor, its employees or agents in writing or otherwise that the Services are not a “public work,” as defined in Section 1720 of the California Labor Code. It is agreed by the Parties that, in connection with the Services, including, without limitation, any public work (as defined by applicable law), if any, Contractor shall bear all risks of payment or non-payment of state and/or federal prevailing wages and/or the implementation of California Labor Code Sections 1726 and 1781, as the same may be enacted, adopted or amended from time to time, and/or any other provision of law. To the extent applicable, City will enforce all penalties required by law for Contractor’s failure to pay prevailing wages.

b. California Labor Code. The Contractor’s attention is directed to Division 2, Part 7, Chapter 1 of the California Labor Code and especially to Article 2 (Wages); and Article 3 (Working Hours), thereof.

(i) In accordance with Sections 1773 and 1773.2 of the California Labor Code, City has found and determined the general prevailing rates of wages in the locality in which the public work is to be performed are those determined by the Director of Industrial Relations and available at <https://www.dir.ca.gov/OPRL/2022-1/PWD/Southern.html>. Copies of the prevailing rates of wages are maintained with City’s principal office and are available to any interested party on request. Contractor shall post a copy of the prevailing rate of per diem wages at each job site.

(ii) Contractor is aware of and will comply with the provisions of California Labor Code Section 1776, including the keeping of payroll records and furnishing certified copies thereof in accordance with said Section. Pursuant to California Labor Code Section 1771.4, Contractor must submit certified payroll records to the Labor Commissioner using the Department of Industrial Relations’ electronic certified payroll reporting (eCPR) system.

(iii) Pursuant to California Labor Code Section 1810, it is stipulated hereby that eight (8) hours labor constitutes a legal day’s work hereunder.

(iv) Pursuant to California Labor Code Section 1815, work performed by employees of contractors in excess of eight (8) 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 (8) hours per day at not less than 1 ½ times the basic rate of pay.

(v) Pursuant to California Labor Code Section 1813, it is stipulated hereby that Contractor shall, as a penalty to City, forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by Contractor or by any subcontractor hereunder for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one (1) calendar week in violation of the provisions of Article 3 (commencing with Section 1810), Chapter 1, Part 7, Division 2 of the California Labor Code.

(vi) Contractor is aware of and will comply with the provisions of California Labor Code Sections 1777.5 and 1777.6 with respect to the employment of apprentices. Pursuant to Section 1777.5 it is hereby stipulated that Contractor will be responsible for obtaining compliance therewith on the part of any and all sub-consultants or subcontractors employed by Contractor in connection with this Agreement.

(vii) Pursuant to California Labor Code Section 1775, it is hereby stipulated that Contractor shall, as a penalty to City, forfeit not more than two-hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for the Services by Contractor or any sub-consultant or subcontractor.

c. Bidding Eligibility. Pursuant to California Public Contract Code Section 6109, Contractor may not perform any Services hereunder with a subcontractor who is ineligible to perform the Services pursuant to Section 1777.1 or 1777.7 of the California Labor Code.

d. DIR Monitoring. Pursuant to California Labor Code Section 1771.4, Contractor is hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

e. Indemnification Related to Prevailing Wages. Section 5, Indemnification, specifically encompasses Claims arising from or related to (i) the noncompliance by Contractor or any party performing the Services of any applicable local, state, and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages and hire apprentices); (ii) the implementation of California Labor Code Sections 1726 and 1781, as the same may be amended from time to time, or any other similar law; and/or (iii) failure by Contractor or any party performing the Services to provide any required disclosure or identification as required by California Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

7.4 Licenses and Permits, Fees, and Assessments. Contractor represents, warrants, and covenants to City that Contractor and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions, and to perform the Services. Contractor represents, warrants,

and covenants to City that Contractor and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions, and perform the Services. In addition to the foregoing, Contractor and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Contractor's performance of the Services, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed, or imposed against City hereunder.

7.5 Conflicts of Interest. Contractor represents, warrants, and covenants that Contractor presently has no interest, direct or indirect, which would interfere with or impair in any manner or degree the performance of Contractor's obligations and responsibilities under this Agreement. Contractor further agrees that while this Agreement is in effect, Contractor shall not acquire or otherwise obtain any interest, direct or indirect, that would interfere with or impair in any manner or degree the performance of Contractor's obligations and responsibilities under this Agreement.

7.6 Unfair Business Practices Claims. In entering into this Agreement, 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. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contractor without further acknowledgment of the Parties.

7.7 Liquidated Damages. Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contractor and its sureties shall be liable for and shall pay to City the sum of FIVE HUNDRED DOLLARS (\$500.00) as liquidated damages for each working day of delay in the performance of any of the Services. City may withhold from any monies payable on account of the Services performed by Contractor any accrued liquidated damages.

SECTION 8. TERMINATION AND MODIFICATION.

8.1 Termination. City may terminate this Agreement at any time and without cause upon thirty (30) days' written notification to Contractor. City may also terminate this Agreement pursuant to Subsection 8.8.

8.2 Termination by Contractor. Contractor may terminate this Agreement upon sixty (60) days' written notice to City.

8.3 Consequences of Termination. In the event of termination, Contractor shall be entitled to compensation for the Services satisfactorily performed up to the date of termination; City, however, may condition payment of such compensation upon Contractor delivering to City any or all materials provided to Contractor or prepared by or for Contractor or City in connection

with this Agreement. Upon receipt of any notice of termination, Contractor shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Administrator.

8.4 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties. The Contract Administrator shall have the authority to execute amendments to this Agreement which do not materially change the terms hereof, in the Contract Administrator's discretion, to the extent permitted by applicable federal, state, and local law. The Contract Administrator may refer any proposed amendment to the City Council for review and approval.

8.5 Assignment and Subcontracting. City and Contractor recognize and agree that this Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Contractor shall not subcontract any portion of the performance contemplated and provided for herein, without prior written approval of the Contract Administrator. In the event of any unapproved assignment, including in connection with any bankruptcy proceeding, this Agreement shall be void. No approved assignment shall release Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

8.6 Survival. All obligations arising prior to the expiration or termination of this Agreement and all provisions of this Agreement allocating liability between City and Contractor shall survive the expiration or termination of this Agreement.

8.7 Disputes, Default. In the event that Contractor is in default under the terms of this Agreement, City shall not have any obligation or duty to continue compensating Contractor for any of the Services performed after the date of default. Instead, City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, in the sole discretion of the Contract Administrator. During the period of time that Contractor is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, City's remedies shall include, but not be limited to, any or all of the following:

- a. Immediately terminate this Agreement;
- b. Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;
- c. Retain a different contractor to complete the Services; and/or
- d. Charge Contractor the difference between the cost to complete the Services that is unfinished at the time of breach and the amount that City would have paid Contractor pursuant to Section 2 if Contractor had completed the Services.

Any failure on the part of City to give notice of Contractor's default shall not be deemed to result in a waiver of City's legal rights or any rights arising out of any provision of this Agreement.

8.8 Claims by Contractor. Claims, as that term is defined in California Public Contract Code Section 9204, by Contractor and, where applicable, any subcontractor, in connection with a public works project shall be subject to the mediation procedure in California Public Contract Code Section 9204.

SECTION 9. KEEPING AND STATUS OF RECORDS.

9.1 Records. Contractor shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Administrator to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Administrator shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contractor's business, custody of the Books and Records may be given to City, and access shall be provided by Contractor's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

9.2 Reports. Contractor shall periodically prepare and submit to the Contract Administrator such reports concerning the performance of the Services required by this Agreement as the Contract Administrator shall require. Contractor hereby acknowledges that City is greatly concerned about the cost of the Services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the Services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Administrator of said fact, circumstance, technique, or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

SECTION 10. MISCELLANEOUS PROVISIONS.

10.1 Attorneys' Fees. If either Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and expenses including costs, in addition to any other relief to which that Party may be entitled; provided, however, that the attorneys' fees awarded pursuant to this Subsection shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing Party in the conduct of the litigation. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Applicable Law, Venue. The laws of the State of California shall govern this Agreement. In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in Riverside County.

10.3 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

10.4 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

10.5 No Implied Waiver of Breach. Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

10.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.7 Contractor Principals and Representatives. The following principals of Contractor ("Principals") are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

_____	_____
(Name)	(Title)
_____	_____
(Name)	(Title)

(Name)

(Title)

It is expressly understood that the experience, knowledge, capability, and reputation of the Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the Services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the Principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City.

10.8 City Contract Administration. This Agreement shall be administered by a City employee, «Staff_Contact», «Staff_Title» (“Contract Administrator”). All correspondence shall be directed to or through the Contract Administrator or his designee. It shall be Contractor’s responsibility to assure that the Contract Administrator is kept informed of the progress of the performance of the Services and Contractor shall refer any decisions which must be made by City to the Contract Administrator. Unless otherwise provided by applicable law, the Contract Administrator shall have the power to act on behalf of City for all purposes under this Agreement. Unless otherwise provided in this Agreement, Contractor shall not accept direction or orders from any person other than the Contract Administrator or his designee.

10.9 Notices. Any written notice to Contractor shall be sent to:

«Contractor»

Attn: «Contractor_Contact»

«Address»

«City», «State» «Zip_Code»

Any written notice to City shall be sent to the Contract Administrator at:

City of Menifee
29844 Haun Road
Menifee, CA 92586
Attn: «Staff_Contact», «Staff_Title»

with a copy to:

City Clerk
City of Menifee
29844 Haun Road
Menifee, CA 92586

Any notice, demand, request, document, consent, approval, or communication either Party desires or is required to give to the other Party or any other person shall be in writing and either served

personally or sent by prepaid, first-class mail. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

10.10 Rights and Remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

10.11 Integration, Interpretation. This Agreement, including Exhibits A and B, represents the entire and integrated agreement between City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.12 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.13 Execution of Contract. The persons executing this Agreement on behalf of each of the Parties hereto represent and warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other agreement to which said Party is bound.

10.14 Nondiscrimination. Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that in the performance of this Agreement there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10.15 No Third Party Beneficiaries. There are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

10.16 Nonliability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contractor, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

10.17 No Undue Influence. Contractor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential

financial arrangement, or financial inducement. No officer or employee of City shall receive compensation, directly or indirectly, from Contractor, or from any officer, employee, or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

10.18 No Benefit to Arise to City Employees. No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or has responsibilities with respect to this Agreement during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for the Services to be performed under this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this Agreement as of the Effective Date.

CITY OF MENIFEE

CONTRACTOR

«City_Signature»

«Contractor_Signature_1»

Attest:

Sarah A. Manwaring, City Clerk

«Contractor_Signature_2»

Approved as to Form:

[Note: 2 officer's signatures required if Contractor is a corporation, unless provided with a certificate of secretary in-lieu]

Jeffrey T. Melching, City Attorney

EXHIBIT B

ARPA CONTRACT PROVISIONS

In addition to the requirements set forth in other provisions of the Agreement, Contractor shall comply, and shall cause all Contractor's personnel to comply, with the following regulations and requirements insofar as they are applicable to the performance of the Agreement.¹

1. Equal Opportunity and Nondiscrimination.

a. Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

c. Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

d. Contractor will send to each labor union or representative of workers with which Contractor has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's

¹ This exhibit is a list and summary of some of the applicable legal requirements and is not a complete list of all Contractor requirements. The description set forth next to a statute or regulation is a summary of certain provisions in the statute or regulation and is in no way intended to be a complete description or summary of the statute or regulation. In the event of any conflict between this summary and the requirements imposed by applicable laws, regulations, and requirements, the applicable laws, regulations, and requirements shall apply.

commitments under this Section 1, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

e. Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

f. Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the "Administering Agency" (as specified in 41 C.F.R. § 60-1.3) and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

g. In the event of Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further Federal contracts or Federally Assisted Construction Contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

h. Contractor will include the portion of the sentence immediately preceding paragraph 1.a. of this Exhibit and the provisions of paragraphs 1.a. through 1.g. in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Contractor will take such action with respect to any subcontract or purchase order as the Administering Agency may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Administering Agency, Contractor may request the United States to enter into such litigation to protect the interests of the United States. City further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in Federally assisted construction work: provided, the above equal opportunity clause is not applicable to any agency, instrumentality, or subdivision of such city which does not participate in work on or under the Agreement.

i. City agrees that it will assist and cooperate actively with the Administering Agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the Administering Agency in the discharge of the Administering Agency's primary responsibility for securing compliance.

j. City further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Federal contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and

penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the Administering Agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, City agrees that if it fails or refuses to comply with these undertakings, the Administering Agency may take any or all of the following actions: cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

2. Copeland “Anti-Kickback” Act

a. Contractor and any subcontractors performing work under the Agreement shall comply with 18 U.S.C. § 874. City shall report all suspected or reported violations to the U.S. Department of the Treasury.

3. Contract Work Hours and Safety Standards Act

a. No Contractor or subcontractor contracting for any part of the Agreement work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

b. In the event of any violation of the clause set forth in paragraph 3.a. above, Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph 3.a. above, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph 3.a. above.

c. City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by Contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in paragraph 3.b. of this Exhibit.

d. Contractor or subcontractor shall insert in any subcontract the clauses set forth in paragraphs 3.a through 3.d. and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Contractor shall be responsible for compliance by any first tier subcontractor or lower tier subcontractor with the clauses set forth in paragraphs 3.a. through 3.d.

e. Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Agreement for all laborers and mechanics, including guards and watchmen, working on the Agreement. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Records to be maintained under this provision shall be made available by Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Department of the Treasury and the U.S. Department of Labor, and Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

f. None of the requirements of Section 3 of this Exhibit shall apply if this Agreement is (1) an agreement for (i) transportation by land, air, or water; (ii) the transmission of intelligence; (iii) the purchase of supplies or materials or articles ordinarily available in the open market; or (iv) in an amount that is equal to or less than \$100,000.

4. Rights to Inventions Made Under a Contract or Agreement

a. The Federal government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for “Government Purposes”, any subject data or copyright described below. “Government Purposes,” means use only for the direct purposes of the Federal government. Without the copyright owner’s consent, the Federal government may not extend its Federal license to any other party.

i) Any subject data developed under the Agreement, whether or not a copyright has been obtained; and

ii) Any rights of copyright purchased by Contractor using Federal assistance funded in whole or in part by the Department of the Treasury.

b. Unless the Department of the Treasury determines otherwise, Contractor performing experimental, developmental, or research work required as part of the Agreement agrees to permit the Department of the Treasury to make available to the public, either the Department of the Treasury’s license in the copyright to any subject data developed in the course of the Agreement, or a copy of the subject data first produced under the Agreement for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of the Agreement, is not completed for any reason whatsoever, all data developed under the Agreement shall become subject data as defined herein and shall be delivered as the Federal government may direct.

c. Upon request by the Federal government, Contractor agrees to indemnify, save, and hold harmless the Federal government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Contractor of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Agreement. Contractor shall be required to indemnify the Federal government

for any such liability arising out of the wrongful act of any employee, official, or agent of the Contractor.

d. Nothing contained in this Section 4 shall imply a license to the Federal government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Federal government under any patent.

e. Data developed by Contractor and financed entirely without using Federal assistance provided by the Federal government that has been incorporated into work required by the underlying Agreement is exempt from the requirements herein, provided that Contractor identifies those data in writing at the time of delivery of the Agreement work. Contractor agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance.

f. For the purposes of this Section 4, “subject data” means “recorded information, whether or not copyrighted, and that is delivered or specified to be delivered as required by the Agreement.” Examples of “subject data” include, but are not limited to computer software, standards, specifications, engineering drawings and associated lists, process sheets, manuals, technical reports, catalog item identifications, and related information, but do not include financial reports, cost analyses or other similar information used for performance or administration of the Agreement.

5. Environmental.

a. Contractor agrees to comply with all applicable standards, orders and regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq. Contractor agrees to report each violation to City and understands and agrees that City will, in turn, report each violation as required to the U.S. Department of the Treasury and the appropriate Environmental Protection Agency Regional Office. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the U.S. Department of the Treasury.

b. Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 et seq. Contractor agrees to report each violation to City and understands and agrees that City will, in turn, report each violation as required to assure notification to the U.S. Department of the Treasury and the appropriate Environmental Protection Agency Regional Office. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the U.S. Department of the Treasury.

6. Debarment and Suspension.

a. Contractor hereby certifies as of the date hereof that each of Contractor, Contractor’s principals (defined at 2 C.F.R. § 180.995), and the affiliates (defined at 2 C.F.R. § 180.905) of Contractor and Contractor’s principals are not excluded (defined at 2 C.F.R. § 180.935) and are not disqualified (defined at 2 C.F.R. § 180.935). If any of the foregoing persons are excluded or disqualified and the Secretary of the Treasury has not granted an exception pursuant to 31 C.F.R. § 19.120(a), (1) the Agreement shall be void, (2) City shall not make any

payments of Federal financial assistance to Contractor, and (3) City shall have no obligations to Contractor under the Agreement.

b. Contractor must comply with 2 C.F.R. Part 180, Subpart C, and 31 C.F.R. Part 19, and must include a requirement to comply with these regulations in any lower-tier covered transaction it enters into. This certification is a material representation of fact relied upon by City and all liability arising from an erroneous representation shall be borne solely by Contractor

c. If it is later determined that Contractor did not comply with 2 C.F.R. Part 180, Subpart C and 31 C.F.R. Part 19, in addition to remedies available to City, the Federal government may pursue available remedies, including but not limited to suspension and/or debarment.

7. Byrd Anti-Lobbying Amendment.

a. Contractor certifies to City, and Contractor shall cause each tier below it to certify to the tier directly above such tier, that it has not used and will not use Federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. § 1352. Contractor shall, and shall cause each tier below it, to disclose any lobbying with non-Federally appropriated funds that takes place in connection with obtaining any Federal award. Such disclosures (to be set forth on Standard Form-LLL contained in 31 C.F.R. Part 21, Appendix B) shall be forwarded from tier to tier up to City who will in turn forward the certification(s) to the U.S. Department of the Treasury. Contractor shall cause the language of this Section 7 to be included in all subcontracts. This certification is a material representation of fact upon which City has relied when entering into the Agreement and all liability arising from an erroneous representation shall be borne solely by Contractor.

8. Domestic Preferences for Procurements.

a. As applicable, and to the extent consistent with law, Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials Produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other Manufactured Products. Contractor shall cause any subcontractors to include the requirements of this Section 8 in any subcontracts.

b. For purposes of this Section 8, the following terms shall mean as follows: (i) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coating, occurred in the United States; and (ii) "Manufactured Products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

9. Access to Records.

a. Contractor agrees to provide City, the U.S. Department of the Treasury, the Treasury Office of Inspector General, the Government Accountability Office, and the Comptroller

General of the United States, or any of their authorized representatives access to any records (electronic and otherwise) of Contractor which are directly pertinent to the Agreement to conduct audits or any other investigation. Contractor agrees to permit any of the foregoing parties to reproduce such records by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

b. Contractor agrees to retain all records covered by this Section 9 through December 31, 2031.

10. Conflicts of Interest; Gifts & Favors.

a. Contractor certifies to City that as of the date hereof, to the best of its knowledge after reasonable inquiry, no employee, officer, or agent of City involved in the selection, award, or administration of the Agreement (each, a “Covered Individual”), nor any member of a Covered Individual’s immediate family, nor a Covered Individual’s partner, nor an organization (including Contractor) which employs or is about to employ a Covered Individual, has a financial or other interest in or has received a tangible personal benefit from Contractor. Should Contractor obtain knowledge of any such interest or any tangible personal benefit described in the preceding sentence after the date hereof, Contractor shall promptly disclose the same to City in writing.

b. Contractor certifies to City that it has not provided, nor offered to provide, any gratuities, favors, or anything of value to an officer, employee, or agent of City. Should Contractor obtain knowledge of the provision, or offer of any provision, of any gratuity, favor, or anything of value to an officer, employee, or agent described in the preceding sentence after the date hereof, Contractor shall promptly disclose the same to City in writing.

11. Assurances of Compliance with Title VI of the Civil Rights Act of 1964.

a. Contractor and any subcontractor, or the successor, transferee, or assignee of Contractor or any subcontractor, shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of Federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury’s Title VI regulations, 31 C.F.R. Part 22, which are herein incorporated by reference and made a part of the Agreement. Title VI also includes protection to persons with “Limited English Proficiency” in any program or activity receiving Federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury’s Title VI regulations, 31 C.F.R. Part 22, and herein incorporated by reference and made a part of the Agreement.

12. Other Non-Discrimination Statutes. Contractor acknowledges that City is bound by and agrees, to the extent applicable to Contractor, to abide by the provisions contained in the Federal statutes enumerated below, and any other Federal statutes and regulations that may be applicable to the expenditure of ARPA Funds:

a. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;

b. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving Federal financial assistance;

c. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving Federal financial assistance; and

d. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

13. Miscellaneous.

a. Pursuant to Executive Order 13043, 62 Fed. Reg. 19216 (Apr. 18, 1997), City encourages Contractor to adopt and enforce on-the-job seat belt policies and programs for its employees when operating company-owned, rented, or personally owned vehicles.

b. Pursuant to Executive Order 13513, 74 Fed. Reg. 51225 (Oct. 6, 2009), City encourages Contractor to adopt and enforce policies that ban text messaging while driving.