MER-59 99 140, PM-Var TR 10 23 0104

# PROJECT SPECIFIC MAINTENANCE AGREEMENT WITH CITY OF MERCED

AIS AGREEMENT is made effective this day of, 2024, by and etween the State of California, acting by and through the Department of cansportation, hereinafter referred to as "STATE" and the City of Merced; hereinafter ferred to as "CITY"; and collectively referred to as "PARTIES"		
SECTION I		
ECITALS		
Cooperative Agreement Number 10-0549 was executed between CITY and STATE on 11/16/2022to construct a gateway monument on State Routes (SR) 59, 99, 140, hereinafter referred to as "MONUMENT";		
<ol> <li>In accordance with said agreement, it was agreed by PARTIES that prior to or upon MONUMENT completion, CITY and STATE will enter into a Maintenance Agreement;</li> </ol>		
<ol> <li>The PARTIES hereto mutually desire to identify the maintenance responsibilities of CITY for the improvements of MONUMENT constructed within the STATE right of way under the Cooperative Agreement Number 10-0553; and</li> </ol>		
<ol> <li>There is an existing Freeway Maintenance Agreements, with CITY dated 1/3/1966 and 8/21/2006. This Agreement is not meant to replace or supersede the earlier agreements.</li> </ol>		
OW THEREFORE, IT IS AGREED AS FOLLOWS:		
SECTION II		

#### **AGREEMENT**

- 1. Exhibit A and B consists of plan drawings that delineate and describe the areas within STATE right of way which are the responsibility of the CITY to maintain in accordance with this Agreement.
- 2. If there is mutual agreement on a change in the maintenance responsibilities between PARTIES, the PARTIES can revise the Exhibit A by a mutual written execution of the exhibit.
- CITY must obtain the necessary Encroachment Permits from STATE's District 10
   Encroachment Permit Office prior to entering STATE right of way to perform CITY
   maintenance responsibilities. This permit will be issued at no cost to CITY.

#### 4. MONUMENTS:

- 4.1. CITY will maintain, at CITY's expense, the entire structure of the MONUMENT. CITY is also responsible to inspect and maintain the overall appearance including, but not limited to, the condition, wear, mounting hardware and elements, lighting system. CITY is responsible to keep the MONUMENT free of dirt, and graffiti, and to control the overgrowth of on the MONUMENT. CITY is responsible for painting to keep the MONUMENT free of graffiti. For all purposes, the CITY's scope of work, responsibility, and/or maintenance duties under this Maintenance Agreement, including all exhibits, shall solely refer and relate to the CITY's sole duty to paint the CITY's MONUMENT for the purpose of keeping it free of graffiti.
- 4.2. MONUMENT, which in the opinion of STATE becomes an operational concern because it is not adequately maintained or deteriorates to an unacceptable condition, will be removed by CITY at CITY'S expense. STATE will notify CITY when it has determined that MONUMENT requires special attention. In the event, the CITY fails to maintain, repair, rehabilitate or remove the MONUMENT in a timely manner, STATE shall remove the MONUMENT upon sixty (60) days' notice to CITY, and bill the CITY for all costs of removal and restoration of the area.
- 4.3. STATE reserves the right to remove the MONUMENT at any time due to construction, rehabilitation or other necessary activities affecting the transportation facilities without any obligation, compensation to, or approval of the CITY. All costs for proposed MONUMENT design, construction, access of maintenance, maintenance, and if required, removal of the MONUMENT shall be the responsibility for the CITY and stipulated in detail within the preliminary and final MONUMENT submittals.
- 4.4. CITY will remove MONUMENT and restore STATE owned areas to a safe and attractive condition acceptable to STATE in the event this Agreement is terminated as set forth herein.
- 4.5. CITY will expeditiously replace, repair or remove from service any MONUMENT component that has become unsafe or unsightly.
- 4.6. STATE reserves the right to remove or alter any MONUMENT that present an immediate safety hazard to the public without delay or advanced notification to CITY. CITY shall not enter or exit the MONUMENT location via freeway side unless
- an encroachment permit is obtained from STATE permitting such ingress and egress.

- 4.7. CITY will allow random inspection of MONUMENT and MONUMENT components by a STATE representative if STATE deems necessary.
- 4.8. STATE may perform maintenance activities in the area of the MONUMENT that is normally associated with the State Highway systems or right-of-way, but CITY will provide maintenance of the MONUMENT itself.
- LANDSCAPED AREAS CITY is responsible for the maintenance of any plantings or other types of roadside improvements of PROJECT lying outside of the fenced area restricting walk-on access to the freeway.
- 6. CITY, at CITY's sole cost and expense, shall remove all graffiti from the ARTWORK. CITY is solely responsible for ensuring that any graffiti that in any way resembles a mural, artwork, paintings, or other similar elements shall not be removed without the written authorization of STATE. Graffiti removal must protect air and water quality as required by law. CITY shall conform to the terms stated in STATE's Maintenance Manual, Volume 1, Family D Chapter, D1.06.
- 7. CITY shall engage in weed abatement operations. CITY shall control weeds at a level acceptable to STATE. Any weed control performed by chemical weed sprays (herbicides)shall comply with all laws, rules, and regulations established by California Department of Food and Agriculture. All chemical spray operations shall be reported quarterly (form LA17) to STATE via the STATE's Landscape Specialist, Maintenance Support, Caltrans District Office: District 10 Maintenance at 1976 E. Dr. Martin Luther King Jr. Blvd., Stockton, CA, 95205.

## 8. LEGAL RELATIONS AND RESPONSIBILITIES

- 8.1. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or to affect the legal liability of a PARTY to the Agreement by imposing any standard of care with respect to the operation and maintenance of STATE highways and local facilities different from the standard of care imposed by law.
- 8.2. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by, under or in connection with any work, authority or jurisdiction conferred upon STATE under this Agreement. It is understood and agreed that STATE shall fully defend, indemnify and save harmless CITY and all of their officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation

- or other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement.
- 8.3. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction conferred upon CITY under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.

### 9. PREVAILING WAGES:

- 9.1. <u>Labor Code Compliance</u>- If the work performed under this Agreement is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public works. Work performed by CITY'S own forces is exempt from the Labor Code's Prevailing Wage requirements.
- 9.2. Requirements in Subcontracts CITY shall require its contractors to include prevailing wage requirements in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY's contracts.

## 10. INSURANCE:

10:1. SELF-INSURED - CITY is self-insured. CITY agrees to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certification of self-insurance letter ("Letter of Self-Insurance"), satisfactory to STATE, certifying that CITY meets the coverage requirements of this section. This Letter of Self-Insurance shall also identify the MONUMENT location as depicted in EXHIBIT A. CITY shall deliver to STATE the Letter of Self-Insurance with a signed copy of this AGREEMENT. A copy of the executed Letter of Self-Insurance shall be attached hereto and incorporate as Exhibit B.

- 10.2. SELF-INSURED using Contractor If the work performed under this AGREEMENT is done by CITY's contractor(s), CITY shall require its contractor(s) to maintain in force, during the term of this AGREEMENT, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement.
- 11.TERMINATION This Agreement may be terminated by mutual written consent by PARTIES or by STATE for cause., CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.
- 12. TERM OF AGREEMENT This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated as set forth in Article 11 above.

PARTIES are empowered by Streets and Highways Code Section 114 and 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY OF MERCED	STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION
By: D. Scott McBride City Manager	
ATTEST:	
By: D. Scott McBride City Clerk	By: TANYA SANGUINETTI Acting Deputy District Director Maintenance District 10
Approved As To Form:  By: Cordwell  City Attorney	
By: M. Venus Rodriguez Finance Officer	

## **EXHIBIT B** – LETTER OF CERTIFICATE OF CITY OF MERCED STATEMENT OF SELF INSURANCE

2025
ZUZU

TO: Caltrans District 10ATTN: Tanya Sanguinetti, Acting Deputy District Director Maintenance

FROM: City of Merced

Department of Risk Management

RE: Statement of Self Insurance for City of Merced Related to Project Specific Maintenance Agreement with State of California Department of Transportation ("STATE") for the gateway monument along Highway 59, 99, 140 at Merced

Dear Ms. Sanguinetti,

The purpose of this letter is to certify that the CITY is self-insured and self-funded covering third-party claims arising out of its general operations (for example, commercial general liability and automobile liability insurance). Further the CITY is self-insured covering workers' compensation claims and has received the consent of the State Department of Industrial Relations to do so.

Each fiscal year, as a part of its budgetary process, the CITY appropriates funds specifically to satisfy valid third-party claims and workers' compensation claims, which may be brought against the CITY.

The CITY certifies its self-insured, general liability coverage for bodily injury liability and property damage liability, meets the required coverage amounts in section 10.1 (INSURANCE) of the Maintenance Agreement, specifically general liability insurance, coverage of bodily injury liability and property damage liability in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. The CITY further represents that regarding any claims made in connection with the Maintenance Agreement by the STATE, the STATE will be first-in-line regarding the reserved, self-insured amounts.

If you need any additional information regarding this letter, please direct those inquires through my office.

Sincerely,

**RISK MANAGER** 









