# AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this day of
, 2022, by and between the City of Merced, a California Charter
Municipal Corporation, whose address of record is 678 West 18th Street, Merced,
California 95340, (hereinafter referred to as "City") and ATI Restoration, LLC, a
Delaware Limited Liability Company, whose address of record is 3360 East La
Palma Avenue, Anaheim, California 92806 (hereinafter referred to as
"Consultant").

WHEREAS, City is undertaking a project for emergency services and testing and recommended mitigation, abatement and demolition of the Stephen Leonard Building as a result of a structural fire. and,

WHEREAS, Consultant represents that it possesses the professional skills to provide the services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. SCOPE OF SERVICES. The Consultant shall furnish the following services: Consultant shall provide the services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the City Manager or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

- 2. TIME OF PERFORMANCE. All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.
- 3. TERM OF AGREEMENT. The term of this Agreement shall commence upon the day first above written and end on upon completion of the project.

- 4. COMPENSATION. Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services, in accordance with the fee schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference. The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "A". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of One Hundred Fifteen Thousand Five Hundred Twenty-Five Dollars and Ninety-Three Cents (\$115,525.93).
- 5. METHOD OF PAYMENT. Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.
- 6. RECORDS. It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.
- 7. CONSULTANT'S BOOKS AND RECORDS. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.
- 8. INDEPENDENT CONTRACTOR. It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

- INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement; Consultant shall indemnify, protect, defend (with counsel selected by the City) save and hold City, its officers, employees and agents harmless from any and all claims or causes of action for any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.
- 10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

# b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

## c. Automobile Insurance.

(i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.
- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.
- e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:
  - (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
  - (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).
- f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

## 11. PREVAILING WAGES.

- A. Labor Code Compliance. If the work performed under this Agreement falls within Labor Code Section 1720(a)(1) definition of a "public works" the Consultant agrees to comply with all of the applicable provisions of the Labor Code including, those provisions requiring the payment of not less than the general prevailing rate of wages. The Consultant further agrees to the penalties and forfeitures provided in said Code in the event a violation of any of the provisions occurs in the execution of this Agreement.
- B. These wage rate determinations are made a specific part of this Agreement by reference pursuant to Labor Code Section 1773.2. General Prevailing Wage Rate Determinations may be obtained from the Department of Industrial Relations Internet site at <a href="http://www.dir.ca.gov/">http://www.dir.ca.gov/</a>.
- C. After award of the Agreement, and prior to commencing work, all applicable General Prevailing Wage Rate Determinations, if applicable, are to be obtained by the Consultant from the Department of Industrial Relations. Theses wage rate determinations are to be posted by the Consultant at the job site in accordance with Section 1773.2 of the California Labor Code.
- D. Consultant agrees to include prevailing wage requirements, if applicable, 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.
- 12. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.
- 13. TERMINATION FOR CONVENIENCE OF CITY. The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

14. CONFORMANCE TO APPLICABLE LAWS. Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

- 15. WAIVER. In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.
- 16. INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

17. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this

Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

- 18. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.
- 19. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.
- 20. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.
- 21. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.
- 22. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED	
A California Charter Municipal	
Corporation	
BY:	
City Manager	

CITY OF MED CED

ATTEST: STEPHANIE R. DIETZ, CITY CLERK
BY:Assistant/Deputy City Clerk
APPROVED AS TO FORM:  BY: 12.6.23  City Attorney Date
ACCOUNT DATA:
BY:  Verified by Finance Officer

{Signatures continued on next page}

CONSULTANT
ATI RESTORATION, LLC.,
A Delaware Limited Liability Company

BY:
(Signature)
RYAN WEITZMAN (Typed Name)
Its: LEGIONAL MANAGER (Title)
BY: (Signature)
Anthony Chupin (Typed Name)
Its: S1. Project Director (Title)
Taxpayer I.D. No
ADDRESS: 3600 E. La Palma Ave. Pasadena, CA 92806
P.O. Box 8318 Pasadena, CA 91109-8318
TELEPHONE:FAX:
E-MAIL:



Date: 05/20/2022	
Job No: E5K-63-2	7023   City of Merced - MIT
Project Address:	640 T SL
City, State, Zip:	Merced, CA 95341
Insurer/Adjusting	Firm:
Adjuster Name:	Diene Gordon

	Insur	er/Adjusting Firm:
		ter Name: Diene Gordon
WORK PROPOSAL	AND AUTHORIZATION	- COMMERCIAL CONTRACT
ATI Restoration, LLC (the "Contractor" Frank Quintaro (Deputy City Menager) to City of Merced Merced, CA 95341 shall become the contract between the partie	(the "Client") for the pro(the "Project"). Up	ne following work proposal (the "Proposal") to operty located at 540 T St. on acceptance by Contractor and Client, this Proposal
necessary to complete the following work (the	e "Work"):	als, equipment, subcontractors and perform all labor
Emergency Services and Teeting, recommended mitigation	abetement and demolition.	
CONTRACT PRICE:		
***************************************	nderstanding that all cost	s and terms will be in detail and submitted in writing to
☐ Time & Materials to include labor, materials	als, equipment and other	costs (see attached fee schedule).
PAYMENT TERMS: Payment shall be made incrementally and as incured	by single payment	as the Work progresses according to the following:
any) is due within 10 days after substantial or additional Work authorized in a change order the Contract includes contents-related work due before Client is entitled to return of the Client. If storage of Client's contents continu	ompletion of the Project. A r must also be paid and a and/or storage, payment i contents, whether the cor ues beyond the estimated	Unless otherwise agreed above, the entire balance (if All deductible amounts not covered by insurance and all re due upon acceptance of the Work. In the event that in full for all contents-related work and storage shall be itents are to be returned by Contractor or picked up by date of completion of the Project, and Client does not aible for additional storage fees on a monthly basis at
the highest rate then permitted by law. Addi	tionally, in the event that	om the date payment is due until the date paid in full at Client fails to make payment when it is due, Contractor ent, Client shall be responsible for any additional costs
substantially complete when all elements of prevent Client's beneficial use and legal occu- subject to delays caused by bad weather, fit	substantially completed by possible in a good and f the Work have been co upancy of the Project. The re, flood or other casualty	(the "Proposal Deadline") the Work will be The Work will be workmanlike manner. The Work will be considered impleted except for minor unfinished items that do not e start date and completion date are estimates and are to the completion date are obtaining materials, tions or other causes beyond Contractor's reasonable
SUBMISSION AND ACCEPTANCE:		
Respectfully submitted by Contractor: ATI Restoration, LLC, a Delaware limited liab Address: 3360 E. La Palma Avenue, Anahei Local Address: 2965 Remoo St West Sacramento, bC. Local License No.: 1075643	m, CA 92806	o.: 1075543
Ву:		Date: 05/20/2022
its: Project Director		HIS Registration #: 112212 SP
Accepted by Client: Client hereby accept indicated, and Client will pay for it in the time		II. The Contractor is authorized to do the Work as ove.
Name: Frank Quintero		
Title: Deputy City Manager		
Signature:		Date: 06/20/2022
Address: 678 W. 18th Street City: Merced	State: CA	Zlp: 96340
Phone: 2093856826	Email: quinteroft	

CLIENT'S INSURANCE: To the extent that the Work performed under this Contract is covered by an applicable insurance policy, Client hereby (1) assigns to Contractor Client's right to be paid insurance proceeds relating to the Work; (2) appoints Contractor as Client's attorney-in-fact to endorse insurance checks issued in Client's name; (3) instructs Client's insurer to either pay the insurance proceeds due relating to the Work directly to Contractor or to insert Contractor's name in each



insurance check or draft made in payment of the loss and send such payment to Contractor; and (4) agrees to pay directly to Contractor any amount not covered by Client's insurer. Client expressly agrees to bear the risk that Client's insurance company denies the applicable claim, and agrees that Client shall remain fully responsible for payment for the Work in the event that coverage is denied. Unless Contractor agrees otherwise, Client shall carry adequate property damage and liability insurance to cover the Work. Contractor shall be acting solely for Client and not for Client's insurer/adjuster.

LIMITATION OF LIABILITY: Client agrees that Contractor's liability for any breach of the Contract, and for any matters arising out of or related to Contractor's Work under the Contract, shall be limited to the amount paid by Client to Contractor for Contractor's Work under the Contract.

LEGAL RIGHTS AND REQUIREMENTS: To secure payment of all amounts owed for Contractor's work and providing storage and protection for Client, Client acknowledges that Contractor has a lien on all property of Client in Contractor's possession pursuant to Civil Code Section 3051 and Commercial Code Section 7209. Removal of hazardous materials, including asbestos, is subject to additional legal requirements and is not a part of the Contract. Client should inform Contractor if Client is aware of any asbestos or lead in any part of the jobsite (built before 1978).

SEVERABILITY: If any provision of the Contract is held by a court of competent jurisdiction to be void or unenforceable, the remaining provisions of the Contract shall remain in effect.

CHANGE ORDERS: Contractor is entitled to a Change Order for delays encountered in the Work, for concealed, unknown or unusual conditions, for extra work actually performed, and for new or additional governmental requirements concerning or affecting the Work which become effective during the Contract Time, that in Contractor's judgment, make the Work more expensive, burdensome or time-consuming. In the event that the Contract is being paid from insurance proceeds, in whole or in part, directly or indirectly, Client authorizes its insurer to approve changes in the Work consistent with the Project as well as the applicable policy and coverage. In the event that Client's insurer approves changes and issues payment to Contractor for those changes, the approved insurance scope, including the changes, shall constitute a binding Change Order, and Contractor shall be entitled to all insurance funds issued in relation to the approved changes.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD, 9821 BUSINESS PARK DRIVE, SACRAMENTO, CALIFORNIA, 95827; P.O. BOX 26000, SACRAMENTO, CA 95828.

#### **GENERAL PROVISIONS**

 Client's Obligations. Client shall provide ATI with adequate and timely access to the Project Site so that ATI will be able to complete the Work as provided in the Contract. Client shall not interfere with ATI's performance of the Work and shall cause its employees, agents, contractors and other persons to refrain from doing so.

#### 2. Change Orders.

- 2.1. Processing Change Order Requests. Client shall make its decision concerning any other Change Order request within forty-eight (48) hours after the request is made. Client's failure to make a decision concerning a Change Order request within the applicable time period may, in ATI's discretion, extend the Contract Time. If circumstances do not permit a formal Change Order to be executed before commencement of the portion of the Work affected thereby, Client's representative may authorize ATI to begin that portion of the Work by delivering a handwritten authorization to ATI. ATI may rely on any such handwritten authorization in performing the Work described therein, and Client agrees that the Contract Price shall be increased in connection with such editional Work.
- 2.2. Disputes Concerning Additional Work, if there is a dispute about whether additional Work requested by Client is within the scope of the Work or is an addition requiring a Change Order, and the estimated cost of performing the additional Work is at least five percent (5%) of the original Contract Price, ATI shall not be required to begin performance of the disputed additional Work until the matter is either resolved by legal proceeding or is otherwise resolved to the mutual satisfaction of Client and ATI.

#### 3. Termination of Agreement.

ATI may terminate the Contract if the Work is stopped for a period of 30 days or more through no fault of ATI or any persons performing any portion of the Work under contract with ATI, for any of the following reasons: (a) issuance of an order of a court or other public authority having jurisdiction; (b) an act of government; (c) because Client has not made a payment to ATI within the time stated in the Contract; or (d) if Client has persistently failed to fulfill Client's obligations under the Contract.

#### 4. Mold Remediation.

4.1 Repair of Water Damage. If the Work involves any remediation of microbial contamination, ATI shall not be responsible for identifying or repairing any water intrusion, leak or source of water damage. ATI strongly recommends that the source of the water intrusion be repaired by the Client before remediation begins.

- 4.2 Extent of Mold Remediation Required. Remediation area surfaces covered by the Contract will not be entirely free of all microbial contamination. Fungal growth is found naturally both indoors and outdoors. Mold spores travel by air currents, objects, people and animals, release toxins through the air, and therefore may be present throughout the Project, in varying degrees of concentration. Under current technology, it is physically impossible for the average structure to be entirely free of fungal or mold spores. If microbial remediation is called for by the Contract, surfaces and materials affected by microbial contamination will exhibit no visually apparent evidence of residual microbial reservoirs. Complete eradication of all potential microbial infestation cannot be guaranteed, nor can permanent remediation be assured. New microbial infestation can occur in the future, within either previously exposed or unexposed areas of the structure.
- 4.3 Safety Precautions. ATI shall comply with all safety precaution instructions of Client. However, ATI shall be under no obligation to issue safety regulations or instructions to Client, except as set forth in the Contract.
- 4.4 Indemnity. ATI shall not be obligated to indemnify Chent against any loss, claims, or suits (including costs and attorneys' fees) for injuries to or death of persons, or damages to, or destruction of any property belonging to either the Client or others. ATI shall not be liable for any diminution in the value of any property attributable to any clean-up, detoxification, remediation, or any other type of response action taken with regarding to the microbial infestation performed pursuant to the Contract in a reasonable manner. If ATI is misled by any incorrect information provided by the Client as to the location or extent of microbial infestation, the Client shall bear all financial risks and loss associated with the correction of unforeseen conditions to the extent of ATI's justifiable and reasonable reliance.

### 5. Miscellaneous.

- 6.1 Amendment. Subject to Section 2.1, changes may be made only by a written amendment executed by all parties.
- 5.2 Authority. Each individual signatory hereto represents and warrants that he or she is duly authorized to sign the Contract and is personally bound, or if signing on behalf of another, is authorized to do so and that the other is bound.