

**CITY OF GRIDLEY PROFESSIONAL SERVICES AGREEMENT  
FOR  
CONSTRUCTION INSPECTION SERVICES**

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2024, by and between the City of Gridley, a California municipal corporation ("City"), and \_\_\_\_\_ a California "S" corporation ("Consultant").

**RECITALS**

A. Consultant desires to perform and assume responsibility for the provision of professional construction inspection services required by the City on the terms and conditions set forth in this Agreement.

B. Consultant has presented a proposal for such services to the City, the scope of work of which is attached hereto and incorporated herein as Exhibit "A," and is duly licensed, qualified and experienced to perform those services.

C. Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Agreement is based on such independent investigation and research.

D. City desires to engage Consultant to render such services as set forth in this Agreement.

**AGREEMENT**

**1. SCOPE AND TERM OF SERVICES.**

1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services and incidental and customary work necessary to fully and adequately supply the necessary professional construction inspection consultant services ("Services"). The Services are more particularly described in Exhibit "A."

1.2 Schedule of Services. The Services of Consultant are to commence upon execution of this Agreement by the City and shall be undertaken and completed in a prompt and timely manner, pursuant to the schedule outlined in the Scope of Work, more particularly described in Exhibit "A."

**2. FEES AND PAYMENTS.**

2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "B."

2.2 Payment of Compensation. Each month Consultant shall furnish to City an

original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub- Consultant contracts. Sub-Consultant charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Consultant to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

### **3. CHANGES.**

3.1 The Parties may, from time to time, request changes in the scope of the Services of Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant's compensation and/or changes in the schedule must be authorized in advance by the City in writing. Mutually agreed changes shall be incorporated in written amendments to the Agreement.

### **4. RESPONSIBILITIES OF CONSULTANT.**

4.1 Independent Contractor; Control and Payment of Subordinates. Consultant enters into this Agreement as an independent contractor and not as an employee of the City. Consultant shall have no power or authority by this Agreement to bind the City in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Consultant are employees, agents, contractors or subcontractors of the Consultant and not of the City. The City shall not be obligated in any way to pay any wage claims or other claims made against Consultant by any such employees, agents, contractors or subcontractors, or any other person resulting from performance of this Agreement.

4.2 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

4.3 City Inspector. The Consultant shall designate a city inspector who at all times shall represent the Consultant before the City on all matters relating to this Agreement. The construction inspector shall continue in such capacity unless and until he or she is removed at

the request of the City, is no longer employed by Consultant or replaced with the written approval of the City which shall not be unreasonably withheld.

4.4 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City staff, consultants and other staff at all reasonable times. City agrees to work closely with Consultant's staff in the performance of Services and shall be available to Consultant's staff at all reasonable times. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the Services. Consultant shall notify City of any changes in staff and subcontractors, if any, assigned to perform the Services prior to and during any such performance.

4.5 Warranty. Consultant agrees and represents that it is qualified to properly provide the Services set forth in Exhibit "A" in a manner which is consistent with the generally accepted standards of Consultant's profession. Consultant further represents and agrees that it will perform said Services in a legally adequate manner in conformance with applicable federal, state and local laws and guidelines.

4.6 Interest in Contract. Consultant covenants that neither it, nor any of its employees, agents, contractors, subcontractors has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder.

Consultant shall make all disclosures required by the City's conflict of interest code in accordance with the category designated by the City, unless the City Manager determines in writing that Consultant's duties are more limited in scope than is warranted by the category designated by the City code and that a narrower disclosure category should apply. Consultant also agrees to make disclosure in compliance with the City conflict of interest code if, at any time after the execution of this agreement, City determines and notifies Consultant in writing that Consultant's duties under this agreement warrant greater disclosure by Consultant than was originally contemplated. Consultant shall make disclosures in the time, place and manner set forth in the conflict of interest code and as directed by the City.

4.7 Standard of Performance; Familiarity with Work  
Consultant 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. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Consultant under this Agreement. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Consultant's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

Consultant warrants that (1) it has thoroughly investigated and considered the work to be performed, (2) it has investigated the issues, regarding the scope of services to be provided, (3) it has carefully considered how the work should be performed, and (4) it fully understands the

facilities, difficulties and restrictions attending performance of the work under this Agreement.

## 5. INSURANCE.

5.1 Time for Compliance. Consultant shall not commence Services under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

5.2 Types of Required Coverages. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, the Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance.

5.2.1 Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least \$1,000,000 per occurrence. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) products and completed operations; (2) contractual liability; (3) third party action over claims; or (4) cross liability exclusion for claims or suits by one insured against another.

5.2.2 Automobile Liability: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol I) with minimum limits of \$1,000,000 each accident.

5.2.3 Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

5.2.4 Professional Liability: Professional Liability insurance for errors and omissions with minimum limits of \$1,000,000. Covered Professional Services shall specifically include all work to be performed under the Agreement.

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

### 5.3 Endorsements.

5.3.1 The policy or policies of insurance required by Sections 5.2.1 Commercial General Liability and 5.2.2 Automobile Liability shall be endorsed to provide the following:

5.3.1.1 Additional Insured: The indemnified parties shall be additional insureds with regard to liability and defense of suits or claims arising out of the

performance of the Agreement. Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

5.3.1.2 Primary Insurance and Non-Contributing Insurance: This insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance.

5.3.1.3 Severability: In the event of one insured, whether named or additional, incurs liability to any other of the insureds, whether named or additional, the policy shall cover the insured against whom claim is or may be made in the same manner as if separate policies had been issued to each insured, except that the limits of insurance shall not be increased thereby.

5.3.1.4 Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.

5.3.1.5 Duties: Any failure by the named insured to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the indemnified parties.

5.3.1.6 Applicability: That the coverage provided therein shall apply to the obligations assumed by the Consultant under the indemnity provisions of the Agreement, unless the policy or policies contain a blanket form of contractual liability coverage.

5.3.2 The policy or policies of insurance required by Section 5.2.3 Workers' Compensation shall be endorsed, as follows:

5.3.2.1 Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.

5.3.2.2 Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.

5.3.3 The policy or policies of insurance required by Section 5.2.4 Professional Liability shall be endorsed, as follows:

5.3.3.1 Cancellation: The policy shall not be canceled or the coverage suspended, voided, reduced or allowed to expire until a thirty (30) day prior written notice of cancellation has been served upon the City except ten (10) days prior written notice shall be allowed for non-payment of premium.

5.4 Deductible. Any deductible or self-insured retention must be approved in writing

by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

5.5 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

5.6 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time if the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement.

In the event that the Consultant's operations are suspended for failure to maintain required insurance coverage, the Consultant shall not be entitled to an extension of time for completion of the Work because of production lost during suspension.

5.7 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

5.8 Insurance for Subconsultants. All subconsultants shall be included as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of this Agreement, including adding the City as an Additional Insured to the subconsultant's policies.

## **6. INSPECTION AND FINAL ACCEPTANCE**

6.1 City may inspect and accept or reject any of Consultant's work under his Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. 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 of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 11.2 "Indemnification" and Section 5 "Insurance."

## **7. OWNERSHIP OF MATERIALS AND CONFIDENTIALITY.**

7.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse or sublicense any and all copyrights, designs and other intellectual property embodied in plans, specifications, studies, drawings, estimates and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer devices, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data").

Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City.

City shall not be limited in any way in its use or modification of the Documents and Data at any time, provided that any such use or modification not within the purposes intended by this Agreement shall be at City's sole risk.

7.2 Books and Records. Consultant shall maintain any and all documents and records demonstrating or relating to Consultant's performance of the Services. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant pursuant to this Agreement. Any and all such documents or records shall be maintained for three(3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures. Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Consultant's address indicated for receipt of notices in this Agreement.

Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Consultant's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

7.3 Confidentiality. All Documents & Data are confidential, and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of the City, except by court order.

## **8. ACCOUNTING RECORDS.**

8.1 Maintenance and Inspection. Consultant shall maintain and make available for inspection by the City and its auditor's accurate records of all its costs, disbursements and receipts with respect to any work under this Agreement. Such inspections may be made during regular office hours at any time until one (1) year after the final payments under this Agreement are made to the Consultant.

**9. SUBCONTRACTING.**

9.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.



**10. TERMINATION OF AGREEMENT.**

10.1 Grounds for Termination. City may, by written notice to Consultant, terminate all or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those Services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

10.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

10.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

**11. GENERAL PROVISIONS.**

11.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

City:

City of Gridley  
685 Kentucky Street  
Gridley, CA 95948  
Attn: Elisa Arteaga, City Administrator

Consultant:

XXX  
XXXX  
XXX  
Attn: XXX

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

11.2 Indemnification. To the fullest extent permitted by law, Consultant shall indemnify and hold the City, its elected officials, officers, employees, agents and volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss,

damage or injury, in law or equity, to property or persons, including wrongful death, in any manner to the extent caused by the sole negligence, recklessness or willful misconduct of Consultant, its officials, officers, employees, agents, subcontractors and subconsultants, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses, except such loss or damage which was caused by the active negligence, sole negligence, or willful misconduct of the City.

Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its elected officials, officers, employees, agents or volunteers.

10.3 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules, regulations and ordinances in any manner affecting the performance of the Project or the Services, including without limitation City business license requirements and all Cal/OSHA requirements, and shall give all notices required by law.

10.4 Prohibited Interests. Consultant covenants that neither it, nor any of its employees, agents, contractors or subcontractors has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Agreement, nor any other interest which would conflict in any manner or degree with the performance of the Services hereunder.

10.5 Prevailing Wages. Consultant is aware of the requirements of California Labor Code section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are subject to the Prevailing Wage Laws, Consultant agrees to fully comply with such Prevailing Wage Laws.

10.6 Equal Opportunity Employment. Consultant shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation.

10.7 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

10.8 Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to reasonable attorneys' fees and all other costs of such action.

10.9 Assignment or Transfer. Consultant shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the City, which will not be unreasonably withheld. Provided, however, that claims for money due or to become due Consultant from the City under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the City.

10.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

10.11 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

10.12 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

10.13 Entire Agreement. This Agreement constitutes the entire agreement between the Parties relative to the Services specified herein. There are no understandings, agreements, conditions, representations, warranties or promises with respect to this Agreement, except those contained in or referred to in the writing.

10.14 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Butte County.

10.15 Time of Essence. Time is of the essence for each and every provision of this Agreement.

10.16 Interpretation. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.

10.17 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

10.18 Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective Party.

10.19 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

10.20 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF GRIDLEY

XXXX

By: \_\_\_\_\_  
Elisa Arteaga  
City Administrator

By: \_\_\_\_\_  
XXX  
President

*Attest:*

By: \_\_\_\_\_  
City Clerk

*Approved as to Form:*

By: \_\_\_\_\_  
City Attorney