

AGREEMENT FOR CONSTRUCTION

Demolition of Structure and Site Clearance at 1725 7th Street, Riverside, CA; Bid No. 7546

DANNY RYAN PRECISION CONTRACTING, INC.

This Agreement for Construction ("Agreement") is entered into on this _____ day of _____, 2018, by and between the HOUSING AUTHORITY OF THE CITY OF RIVERSIDE, a public body, corporate and politic ("Authority") and DANNY RYAN PRECISION CONTRACTING, INC., a California corporation, 1818 N. Orangethorpe Park, Anaheim, CA 92707, State Contractor's License No. 701357 ("Contractor"). Hereinafter, the Authority and the Contractor may be referred to collectively as the "Parties." The Parties mutually agree as follows: Contractor shall furnish all labor, equipment and materials for, and perform the work of Demolition of Structure and Site Clearance and Site Clearance at 1725 7th Street, Riverside, CA - Bid No. 7546, which is covered in the Contractor's Bid Proposal (the "Work"), in accordance with the provisions and requirements in the Contract Documents as defined by this Agreement.

ARTICLE 1 – CONTRACT DOCUMENTS

1.1 Definitions. The meanings of all capitalized terms used herein and in the Contract Documents and not otherwise defined in this document shall be the same as those definitions set forth in the Special Provisions Section 1-2.

1.2 Contract Documents. The "Contract Documents," except for Modifications issued after execution of this Agreement, consist of the following documents, all of which are either attached hereto as exhibits or are incorporated herein by this reference, are intended to be correlative and constitute Contractor's performance obligations:

- (1) Permits from the City of Riverside's Building, Fire, Planning, Public Works and Public Utilities Departments and similar Governmental Approvals for the Work required by applicable law.
- (2) Change Orders and other Modifications issued after execution of the Agreement.
- (3) This Agreement, as signed by the Parties, including the following exhibit, as well as any other exhibits, attachments, and Certificates of Insurance and Additional insured endorsements for Contractor:

Exhibit "A" – Workers Compensation Certification

- (4) Addenda with later Addenda having priority over earlier Addenda issued as follows:
N/A

- (5) Contractors Bid Proposal, (comprised of Notice Inviting Bids, Instructions to Bidders and attachments, Electronic Bid Schedule of Prices, Electronic List of Subcontractors, Proposal, Signature Certification/Authorization, Bid Guaranty, and where applicable, Contractor Qualification Statement and/or Subcontractor Qualification Statement).
- (6) Special Provisions and Standard Specifications
- (7) Authority and other agencies' Standard Drawings.
- (8) All documents, maps, texts and items referred to in the foregoing documents.

1.3 **Interpretation.** In the event of any conflict between any of the Contract Documents, the document highest in the order of precedent shall control. The order of precedent shall be the same as that set forth in Section 2.5-2 of the 2015 Edition of the Standard Specifications for Public Works Construction, unless otherwise revised in the Special Provisions.

1.4 **Entire Agreement.** This Agreement together with all other Contract Documents represents the entire and integrated agreement between Authority and Contractor and supersedes any prior written or oral agreements between them concerning the subject matter contained in the Contract Documents. There are no representations, agreements, arrangements or understandings, oral or written, between the Parties hereto, relating to the subject matter contained in the Contract Documents, which are not fully expressed herein.

ARTICLE 2 – CONTRACT PRICE AND PAYMENT

2.1 **Contract Price.** Authority shall pay Contractor the Contract Price of **Sixty-One Thousand Nine Hundred Thirty Dollars (\$61,930.00)** which includes all California sales or use tax and County and Authority taxes, in consideration for the Contractor's full, complete and timely performance of all of the Work required by the Contract Documents. The Contract Price includes any Alternative/Additive Bid Items which were awarded with the Contract.

Contractors agree to allocate the use tax derived from contracts or subcontracts of \$5 million or more directly to the job site location by obtaining a sub-permit of the Contractor's seller's permit for the jobsite and allocating the local tax to the jobsite address on Schedule C of applicable sales tax returns, in accordance with State Board of Equalization Operations Memo 1023. Contractor shall provide Authority with proof of such filing prior to Authority's issuance of the Notice to Proceed.

In accordance with Section 22300 of the California Public Contract Code, Contractor may substitute securities for any monies withheld by Authority to ensure performance of the Contract. Such substitution shall be made at the request and expense of Contractor. Securities equivalent to the amount withheld may be deposited with Authority or with a state or federally chartered bank as escrow agent. Securities eligible for substitution shall include those listed in Section 16430 of the Government Code, bank or saving and loan certificates of deposit, interest bearing demand

deposit accounts, standby letters of credit, or any other security mutually agreed to by Contractor and Authority.

2.2 Changes to the Contract Price. Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by the Authority, as set forth in Article 6 herein.

2.3 Payment Procedures. Within sixty (60) days after Authority accepts final completion of the work and issues the Notice of Completion, excluding Plant Establishment, if applicable, Authority shall pay Contractor the amounts Authority deducted and retained from Contractor's progress payments, except such sums which are required by applicable law or authorized by the Contract to be further retained. In the event of a dispute between Authority and Contractor concerning the amount of final payment due, the Authority may withhold from final payment, an amount not to exceed 150% of the value of disputed amounts for incomplete or non-conforming work.

ARTICLE 3 – TIME FOR PERFORMANCE

3.1 Date of Commencement/Notice to Proceed. The date of commencement of the Work shall be established in a written Notice to Proceed issued by the Authority. The Authority will not issue a Notice to Proceed to the Contractor until this Agreement, bonds and insurance documents have been executed and/or approved by the Authority.

3.2 Contract Time. Contractor shall perform the Work in a diligent manner and shall complete all of the Work of the Contract, excluding any Plant Establishment, if applicable, within **fifteen (15)** calendar days after the date specified to Contractor in the Notice to Proceed issued by Authority.

ARTICLE 4 – LIQUIDATED DAMAGES

4.1 Amounts of Liquidated Damages.

4.1.1 Delay in Substantial Completion of the Work. Failure of Contractor to complete the Work within the time allowed will result in damages being sustained by Authority. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive calendar day in excess of the time specified for the completion of Work, as adjusted in accordance with Section 6-6 and/or 6-7 of the Standard Specifications, Contractor shall pay to Authority, or have withheld from monies due Contractor, the sum of **Five Hundred Dollars (\$500.00)**. Execution of this Agreement shall constitute agreement by Authority and Contractor that said sum is the minimum value of the costs and actual damage caused by the failure of Contractor to complete the Work within the allotted time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such delay occurs.

Liquidated damages shall be assessed in the amount of **One Thousand Dollars (\$1,000)** per incident that an updated weekly schedule is not submitted as specified in Section 6-1.1.1 of these Special Provisions.

Additional liquidated damages shall be assessed in the amount of **One Hundred Fifty Dollars (\$150)** per incident that the Contractor fails to meet with the Project Manager at the regularly scheduled (Weekly or bi-weekly) construction/progress meetings which will be agreed upon at the pre-construction meeting. These liquidated damages are in addition to the right of the Authority to suspend work as described in Section 7-6.

Additional liquidated damages shall be assessed in the amount of **Five Hundred Dollars (\$500.00)** per calendar day for failure to comply with the State Permit for Storm Water Discharge Associated with Construction Activity during all phases of construction and for failure to complete, implement, or maintain the Storm Water Pollution Protection Plan (SWPPP) within the periods specified in Section 7-8.6 of the Special Provisions. These liquidated damages are in addition to the right of the Authority to suspend work as described in Section 7-6. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such incidents occur.

Additional liquidated damages shall be assessed in the **Five Hundred Dollars (\$500.00)** per incident that the Contractor fails to install the Best Management Practices (BMPs) within twenty-four (24) hours of notification as described in Section 7-8.6.5 of the Special Provisions. These liquidated damages are in addition to the right of the Authority to suspend work as described in Section 7-6. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such incidents occur.

Additional liquidated damages shall be assessed in the amount of **Two Hundred Fifty Dollars (\$250)** per incident that the Contractor fails to maintain the required, two twelve-foot-wide lanes for two-way traffic, as specified in Section 7-10.1.1 of the Special Provisions.

ARTICLE 5 – CLAIMS AND DISPUTES

5.1 Notice of Claims. Contractor acknowledges and agrees that its failure to submit any claim arising under this Contract in accordance with the Special Provisions, shall constitute a waiver of Contractor's right to additional compensation and/or extension of time.

5.2 Government Code Claims Procedures. Contractor further acknowledges that notwithstanding Contractor's compliance with the claims procedures set forth in the Special Provisions, Contractor must also comply with the claims procedures set forth in Government Code sections 900 et seq. prior to filing a lawsuit against the Authority for any such claim. Failure to submit a Government Code claim or comply with the claims provision contained in the Special Provisions shall bar Contractor from bringing and maintaining a valid lawsuit against the Authority.

ARTICLE 6 – LOCAL BUSINESS LICENSE, TAXES AND FEES

6.1 Business Tax Certificate and Governmental Approvals. As a condition of the Contract, Contractor and all subcontractors shall, during the term of this Agreement, secure and annually renew business tax certificates pursuant to Chapter 5.04 of the Riverside Municipal Code to operate in the City of Riverside, and shall also secure and maintain at all times during performance of the Work, any other licenses, fees, permits or similar Governmental Approvals required by Applicable law.

6.2 Offsets. Contractor acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which is owed, or which becomes owed, by Contractor to Authority, Authority reserves the right to withhold and offset said amounts from any payments, refunds or reimbursements owed by Authority to Contractor under the Contract. Notice of such withholding and offset shall promptly be given to Contractor by Authority in writing. In the event of a dispute as to the amount owed or whether such amount is owed to Authority, Authority will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

ARTICLE 7 – BONDS

7.1 Performance and Payment Bonds. Prior to Authority's execution of this Agreement, Contractor shall furnish to the Authority two (2) duly executed surety bonds using the forms included within the Bidding Requirements, one (1) as security for the faithful performance of the Contract and one (1) as security for the payment of all persons performing labor and furnishing materials in connection with the Contract. Both bonds shall be in the amount of one hundred percent (100%) of the Contract Price and shall be subscribed by an Admitted Surety Insurer which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, Contractor shall furnish Authority a new bond within ten (10) days after receiving notice from Authority. No payments will be due or paid under the Contract until any and all bond deficiencies have been remedied. Contractor, by execution of this Agreement acknowledges that the bonds are not Contract Documents, but are separate obligations.

ARTICLE 8 – WORKERS' COMPENSATION INSURANCE

8.1 Workers' Compensation Insurance Certificate. By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification attached hereto as Exhibit "A" and incorporated herein by reference.

8.2 Evidence of Coverage. Prior to the Authority's execution of this agreement, Contractor shall file with the Authority either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person, the necessary certificate of insurance will immediately be filed with Authority. Any

Certificate filed with the Authority shall provide that Authority shall be given ten (10) days' prior written notice before modification or cancellation thereof.

8.3 **Carrier Rating.** Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policyholder's rating of A or higher and a Financial Class of VII or larger.

8.4 **Subcontractor Worker's Compensation Insurance.** Contractor shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement, complete workers' compensation insurance, meeting or exceeding the coverages and amounts that California law requires.

ARTICLE 9 – CONTRACTOR'S LIABILITY INSURANCE

9.1 **Minimum Scope.** Prior to Authority's execution of this Agreement and Contractor's commencement of Work, Contractor shall secure, submit proof of and shall thereafter maintain without interruption, until completion of the Contract, such commercial general and automobile liability insurance as shall protect Contractor, its Subcontractors and the Additional Insured's from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Contract, whether such operations be by or on behalf of Contractor, any subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.

9.2 **Carrier Ratings.** All liability insurance shall be issued by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger.

9.3 **Minimum Limits.** Contractor shall maintain minimum limits of insurance as follows:

9.3.1 **Commercial General Liability.** Contractor's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than \$2,000,000.

9.3.2 **Automobile Liability Insurance.** Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor-owned vehicles, Contractor-leased vehicles, Contractor's employee vehicles, non-Contractor-owned vehicles and hired vehicles.

9.3.3 **Professional Liability.** Contractor shall ensure that any professional engineer(s) retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the Work, maintains professional liability insurance for the duration of the

project. Such insurance shall be in the minimum amount of \$1,000,000 to protect Authority from claims resulting from the engineer(s) activities.

9.3.4 No Limitation on Indemnification. These minimum amounts of coverage shall not constitute any limitation or cap on Contractor's indemnification obligation.

9.3.5 Installation Floater Insurance. Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Agreement, a Builder's Risk Installation Floater for coverage of Contractor's labor, materials and equipment to be used for completion of the work performed under this Agreement. The minimum amount of coverage to be carried shall be equal to the full amount of the Contractor's labor, equipment, materials, or fixtures to be installed, in transit, or stored off-site or on-site during the performance of this Agreement. The policy shall include as loss payee, the Housing Authority of the City of Riverside, the City of Riverside, the Contractor, and its sub-contractors as their interest may appear. The Authority shall not be responsible for the theft of any materials, equipment in the possession and control of Contractor.

9.4 **Notice of Cancellation and Renewals.** The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to Authority by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to Authority). Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the Authority copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

9.5 **All Coverages.** The insurance policy or policies shall also comply with the following provisions:

- a. Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.
- b. The policy shall be endorsed to waive any right of subrogation against the Housing Authority of the City of Riverside and its subconsultants, employees, officers, agents and directors for work performed under this Agreement.
- c. If policies are written on a claims made basis, the certificate should so specify and the policy must continue in force for **five (5) years** after completion of the Project. The retroactive date of the coverage must also be listed.
- d. The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the Housing Authority of the City of Riverside. Contractor shall provide Form No. CG 20010413 to Authority.

- e. All policies of insurance shall name the City and Authority as an Additional Insured and shall contain the following language: "Solely with respect to work done by and on behalf of the name insured for the Housing Authority of the City of Riverside and the City of Riverside, it is agreed that the Housing Authority of the City of Riverside, and its officers and employees are added as additional insureds under this policy."

9.6 Certificates of Insurance, Additional Insured Endorsements and Deductibles. Prior to execution of the Agreement, and thereafter upon Authority's request, Contractor shall furnish Authority with original certificates of insurance and additional insured endorsements setting forth evidence of all insurance coverage required by this Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf. The Housing Authority of the City of Riverside and the City of Riverside, its City Council and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents and council members shall be named as additional insureds under each policy.

9.7 Contractor's Failure to Provide Required Insurance. Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify Authority and cease all performance under this Contract until further directed by the Authority. In the absence of satisfactory insurance coverage, Authority may, at its discretion and sole option:

(a) procure insurance with collection rights for premiums, attorneys' fees and costs against Contractor by way of set-off or recoupment from sums due Contractor; (b) immediately terminate or suspend Contractor's performance of the Contract; (c) pay Contractor's premiums for renewal of Contractor's coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys' fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due Contractor. Upon demand, Contractor shall repay Authority for all sums that Authority paid to obtain, renew, reinstate or replace the insurance, or Authority may offset the cost against any monies that the Authority may owe Contractor.

9.8 Verification of Coverage. Authority shall have the right to obtain complete and certified copies of Contractor's and Subcontractors' insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required under the Contractor Documents, upon request (including, but not limited to, the declarations page, form list and riders).

9.9 Reassessment of Insurance Requirements. At any time during the duration of this Contract, the Authority may require that Contractor obtain, pay for, and maintain more or less insurance depending on the Authority's assessment of any one or more of the following factors: (1) the Authority's risk of liability or exposure arising out of, or in any way connected with, Contractor's services under this Contract; (2) the nature or number of accidents, claims, or lawsuits arising out of, or in any way connected with, Contractor's services under this Contract; or (3) the availability, or affordability, or both, of increased liability insurance coverage.

9.10 Contractor's Insurance for Other Losses. The Contractor and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's (or Subcontractors') employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or Subcontractors as well as to any temporary structures, scaffolding and protective fences.

9.11 No Limitation. Contractor's maintenance of insurance as required by the Contract Documents shall not be construed to limit the liability of the Contractor or its Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the Authority's recourse to any remedy available at law or in equity.

9.12 Subcontractors' Insurance. The Contractor shall include in all subcontracts a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by Articles 9 and 10 of this Agreement except that the limits of liability and deductibles shall be in amounts determined by the Contractor, based on the degree of hazardous exposure according to the Work performed by each Subcontractor and the size of each subcontract. Contractor shall also require that any Subcontractor performing a professional service to obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the Housing Authority of the City of Riverside from claims resulting from the Subcontractors' activities. The Subcontractor shall include the Authority as an additional insured under the errors and omissions professional liability insurance, in accord with Section 12.3.3 herein. Upon Authority's request, the Contractor shall provide Authority with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

ARTICLE 10 - INDEMNITY/DUTY TO DEFEND

10.1 Indemnity. Except as to the sole negligence, active negligence or willful misconduct of the Authority, Contractor assumes liability for and agrees, at Contractor's sole cost and expense, to promptly and fully indemnify and hold the Authority, its Housing Authority Commissioner, and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents, council members, ("Indemnitees"), harmless from and against any and all loss, damage, claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceedings, causes of action, demands, costs, judgments, liens, stop notices, penalties, damages, losses, anticipated losses of revenue, expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), costs, including attorneys' fees, or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from or is in any way (either directly or indirectly) related to, or is in any manner connected with, the performance of Work, the Project, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement ("Indemnity Claims"), notwithstanding that the Authority may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the Authority incurs or makes to or on behalf of an injured employee under the Authority's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

10.2 Duty to Defend. Contractor agrees, at its sole cost and expense, to promptly defend the Indemnites from all Indemnity Claims. The duty of the Contractor to indemnify and hold harmless the Indemnites includes the separate and independent duty to defend the Indemnites, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnites shall be at Contractor's sole expense, and not be excused because of Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnites were actively, passively or concurrently negligent, or which otherwise assert that the Indemnites are responsible, in whole or in part, for any Indemnity Claim. Contractor agrees to provide this defense immediately upon written notice from the Authority, and with well qualified, adequately insured and experienced legal counsel acceptable to the Authority.

10.3 Subcontractor Requirements. In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnites with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnites harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnites according to the terms of this Article.

10.4 No Limitation or Waiver of Rights. Contractor's obligations under this Article are in addition to any other rights or remedies which the Indemnites may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Article are separate and independent from the insurance provisions set forth in the Agreement and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnites by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the Authority to monitor compliance with these requirements imposes no additional obligations on the Authority and will in no way act as a waiver of any rights hereunder.

10.5 Withholding to Secure Obligations. In the event an Indemnity Claim arises prior to final payment to Contractor, the Authority may, in its sole discretion, reserve, retain or apply any monies

due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the Authority may release such funds if the Contractor provides the Authority with reasonable assurances of protection of the Indemnitees' interests. The Authority shall, in its sole discretion, determine whether such assurances are reasonable.

10.6 Survival of Indemnity Obligations. Contractor's obligations under this Article are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

10.7 Independent Contractor. Contractor shall at all times during its performance of the Work retain its status as an independent contractor. Contractor's employees and agents shall under no circumstances be considered or held to be employees or agents of Authority and Authority shall have no obligation to pay or withhold state or federal taxes or provide workers' compensation or unemployment insurance for or on behalf of Contractor or its employees and agents.

ARTICLE 11 – PREVAILING WAGES

11.1 Public Work Project. This Project is a public work as defined in California Labor Code Section 1720. Contractor and all Subcontractors of any tier are required to pay all workers employed in the execution of the Work not less than the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations ("DIR") under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination of prevailing rates is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined and specified are referred to and made a part hereof as though fully set forth herein. Per Senate Bill 854 (2014), Contractor and subcontractors shall register with the Department of Industrial Relations (DIR) in order to bid and perform public works projects. Contractors and subcontractors on all public works projects shall submit electronic certified payrolls to the Labor Commissioner and Authority unless excused from this requirement.

11.2 California Labor Code. Contractor is aware of and stipulates that Contractor will also comply with the following sections of the California Labor Code:

- a. Section 1775 prescribing sanctions for failure to pay prevailing wage rates;
- b. Section 1776 requiring the making, keeping and disclosing of detailed payroll records and prescribing sanctions for failure to do so;
- c. Section 1777.5 prescribing the terms and conditions for employing registered apprentices;
- d. Section 1810 providing that eight hours of labor shall be a day's work;
- e. Section 1813 prescribing sanctions for violations of the provisions concerning eight-hour work days and forty-hour work weeks; and
- f. Sections 1725.5 and 1771.1 requiring all general contractors and subcontractors to be registered with DIR. Registration can be accomplished through the DIR website by using this link: <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

ARTICLE 12 – MISCELLANEOUS

12.1 Non-Discrimination. Except as provided in Section 12940 of the California Government Code, during Contractor's performance of the Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation, genetic information, gender, gender identity, or gender expression, in the selection and retention of employees and subcontractors and the procurement of materials and equipment. Contractor shall also comply with the requirements of the Americans with Disabilities Act in the performance of the Agreement.

12.2 Notice. Whenever any provision of the Contract Documents requires the giving of written notice, including notices, bills, invoices or other documents required or permitted under this Agreement, service shall be sufficient if sent by one party to the other by overnight courier, or by registered, certified or United States first class mail, postage prepaid and addressed as follows:

Authority

Housing Authority of the City of
Riverside
Attn: Housing Authority Manager
3900 Main Street, 5th Floor
Riverside, CA 92522

Contractor

Danny Ryan Precision Contracting, Inc.
Attn: Danny Ryan
1818 N. Orangethorpe Park
Anaheim, CA 92707

12.3 Authority's Right to Access and Audit Contractor's Project Documents.

A. If the Contractor submits a claim to the Authority for additional compensation, the Authority shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the Contractor's books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the Contractor's plant, or such parts thereof, as may be or have been engaged in the performance of the Work. The Contractor further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the Authority deems desirable during the Contractor's normal business hours at the office of the Contractor. The Contractor shall make available to the Authority for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the Authority.

B. The Authority and/or its authorized auditors or representatives, shall have access to and the right to examine, audit, excerpt, transcribe, and reproduce any of the Contractor's records for a period of at least three (3) years after termination of the Contract and/or Final Payment. Such records include without limitation, journals, ledgers, records of accounts payable and receivable, profit and loss statements, bank statements, invoices, receipts, subcontracts, agreements, notes,

correspondence, memoranda, and any documents generated and received in Contractor's performance of this Contract. Upon written notice by the Authority, Contractor shall promptly make all such records available to Owner and/or its authorized auditors or representatives and cooperate with the Owner and its authorized auditors or representatives in examining, auditing, excerpting, transcribing and reproducing the records.

12.4 Venue and Attorneys' Fees. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed all parties shall bear their own attorneys' fees.

12.5 No Estoppel or Waiver by Authority. No action or failure to act by the Authority shall constitute a waiver of any right or duty afforded Authority under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing. The waiver by the Authority of any breach or violation of any term, covenant or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by the Authority, which may become due hereunder, shall not be deemed to be a waiver of any preceding breach or violation by Contractor or any term, covenant, condition of this Agreement or of any applicable law or ordinance.

12.6 Signature Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

12.7 Severability. Each provision, term, condition, covenant and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement and the remainder of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

HOUSING AUTHORITY OF THE
CITY OF RIVERSIDE, a public body,
corporate and politic

DANNY RYAN PRECISION
CONTRACTING, INC.,
a California corporation

By: _____
Executive Director


By:  _____

Danny Ryan, President
[Printed Name and Title]

Attest: 
Authority Secretary

By: _____
[Printed Name and Title]

Certified as to Availability of Funds:

By: 
Chief Financial Officer

Approved as to Form:

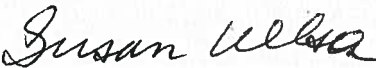
By: 
Authority Legal Counsel

EXHIBIT "A"

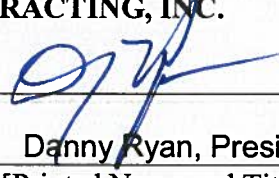
WORKERS' COMPENSATION CERTIFICATION

I am aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATED: 4/12/18

**DANNY RYAN PRECISION
CONTRACTING, INC.**

By: _____



Danny Ryan, President

[Printed Name and Title]

(Appropriate Certificate to be attached to Agreement for Construction)
CERTIFICATE
(if Corporation)

STATE OF California)
) SS:
COUNTY OF Orange)

I, HEREBY, CERTIFY that during a meeting of the Board of Directors of the
Danny Ryan Precision Contracting, Inc., a corporation existing under the
laws of the State of California, held on April 12, 20 18, the
following resolution was duly passed and adopted:

“RESOLVED, that Danny Ryan, as President of
the Corporation, be and is hereby authorized to execute the Agreement for
Danny Ryan Precision Contracting, Inc. between the Housing Authority
of the City of Riverside and this corporation and that his execution thereof and with
the Corporate Seal affixed, shall be the official act and deed of this Corporation.”

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
corporation this 12th, day of April, 20 18.


Secretary

(SEAL)

