

Agreement No. _____

**COUNTY OF KINGS
AGREEMENT FOR SERVICES**

THIS AGREEMENT is made and entered into as of the ____ day of December, 2020, by and between the County of Kings, a political subdivision of the State of California (hereinafter “County”) and Green Galaxy Builders, Inc. (hereinafter “Contractor”).

R E C I T A L S

WHEREAS, the County, in partnership with Cornerstone Community Alcohol and Other Drug Recovery Systems, Inc., received a reservation of funding from the State under the Project Homekey program to fund the development of affordable housing on land owned by Cornerstone Community Alcohol and Other Drug Recovery Systems, Inc.;

WHEREAS, the County solicited bids in Request for Proposal (“RFP”) No. 2021-28 to conduct the site preparation and development, procure or construct twenty-four (24) two-bedroom manufactured home units, and install them on permanent foundations on the property dedicated by Cornerstone Community Alcohol and Other Drug Recovery Systems, Inc. for Project Homekey to build Triangle Courtyard;

WHEREAS, Contractor responded with a proposal that met the County’s needs and the parties were able to settle upon mutually agreeable terms; and

WHEREAS, the County selected Contractor as the successful bidder in response to RFP No. 2021-28.

NOW, THEREFORE, the parties mutually agree as follows:

1. SCOPE OF SERVICES

The County hereby engages Contractor and Contractor shall do, perform, and carry out the services as set forth in **Exhibit A**.

2. RESPONSIBILITIES OF CONTRACTOR

Contractor possesses the requisite skills necessary to perform the work under this Agreement and the County relies upon such skills. Contractor shall, at all times utilizing its ability, experience and talent, faithfully, industriously and professionally perform the work set forth in **Exhibit A** to the County’s reasonable satisfaction. The County’s acceptance of Contractor’s work does not constitute a release of Contractor from its professional responsibility.

3. COMPENSATION

Contractor shall not be entitled to nor receive from the County any additional consideration, compensation, or other remuneration for services rendered under this Agreement except as set forth in **Exhibit B**.

Should no funds or insufficient funds be appropriated for this Agreement, the County reserves the right to propose an amendment or unilaterally terminate this Agreement immediately.

Upon submission of an invoice by Contractor, and upon approval of the County's representative, the County shall pay Contractor monthly in arrears, up to the maximum amount provided for in Section 3. Each invoice must include a description of services rendered, to whom, date of service and the charges according to the agreed upon method.

4. TERM

This Agreement shall remain in full force and effect until both parties have completed performance or the Agreement is otherwise terminated in accordance with its terms.

This Agreement may be extended by mutual consent of the parties through a writing executed by the authorized representative of the parties.

5. RECORDS AND INSPECTIONS.

Contractor shall maintain full, complete, and accurate records with respect to all matters covered under this Agreement. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. The County shall have free access during normal work hours to such records and the right to examine, inspect, copy, or audit them, at no cost to the County. Records shall be maintained for seven (7) years after the termination of this Agreement or any extension of this Agreement.

6. AMENDMENTS

This Agreement may be modified only by a written amendment signed by the Contractor and the County's Board of Supervisors ("Board") or other representative as authorized by the Board.

7. TERMINATION

The right to terminate this Agreement under this section may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

A. Without Cause. Either party shall have the right to terminate this Agreement without cause by giving the other party thirty (30) calendar days prior written notice of its intention to terminate pursuant to this provision, specifying the date of termination. If the termination is for non-appropriation of funds, the County may terminate this Agreement effective immediately.

B. With Cause. This Agreement may be terminated by either party should the other party materially breach this Agreement. Upon a material breach, the non-defaulting party shall provide written notice to the defaulting party of its intention to terminate this Agreement and allow a period of ten (10) days to cure the breach. If the breach is not remedied within that ten (10) day period, the non-defaulting party may terminate the Agreement on further written notice specifying the date of termination.

Alternatively, the County may elect to cure the default and any expense incurred shall be payable by the Contractor to the County.

C. Effects of Termination. Termination of this Agreement shall not terminate any obligations of any liability to the County for damages sustained by the County because of any breach of contract by the Contractor, nor to indemnify, to maintain and make available any records pertaining to this Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities.

D. Forbearance Not to be Construed as Waiver of Breach or Default. In no event shall any act of forbearance by either party constitute a waiver of any breach of this Agreement or any default which may then exist, nor shall such act impair or prejudice any remedy available to the non-breaching party with respect to the breach or default.

8. INSURANCE

A. Without limiting the County's right to obtain indemnification from the Contractor or any third parties, prior to the commencement of work or execution of this Agreement, Contractor shall purchase and maintain the following types of insurance for minimum limits indicated during the term of this Agreement and provide an Endorsed Additional Insured page from the Contractor's Insurance Carrier guaranteeing such coverage to the County's Risk Manager. Such page shall be mailed or otherwise delivered as set forth under the Notice section of this Agreement prior to its execution. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, the County may, in addition to other remedies it may have, suspend, or terminate this Agreement.

1. Commercial General Liability. Two Million Dollars (\$2,000,000) per occurrence and Five Million Dollars (\$5,000,000) annual aggregate covering bodily injury, personal injury and property damage. The County and its officers, employees and agents shall be endorsed to above policies as additional insured, using ISO form CG 20 26 or an alternate form that is at least as broad as form CG 20 26, as to any liability arising from the performance of this Agreement.

2. Automobile Liability. Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than Five Hundred Thousand Dollars (\$500,000) per person, One Million Dollars (\$1,000,000) per accident and for property damages not less than One Hundred Thousand Dollars (\$100,000), or such coverage with a combined single limit of One Million Dollars (\$1,000,000). Coverage should include owned and non-owned vehicles used in connection with this Agreement.

3. Workers Compensation. Statutory coverage, if and as required according to the California Labor Code. The policy shall be endorsed to waive the insurer's subrogation rights against the County.

4. Professional Liability. One Million Dollars (\$1,000,000) limit per occurrence or claim and Three Million Dollars (\$3,000,000) annual aggregate limit covering the Contractor's wrongful acts, errors and omissions.

B. Insurance shall to be placed with admitted insurers rated by A.M. Best Co. as A:VII or higher. Lower rated, or approved but not admitted insurers, may be accepted if prior approval is given by the County's Risk Manager.

C. Each of the above required policies shall be endorsed to provide the County with thirty (30) days prior written notice of cancellation. The County is not liable for the payment of premiums or assessments on the policy. No cancellation provisions in the insurance policy shall be construed in derogation of the continuing duty of Contractor to furnish insurance during the term of this Agreement.

9. INDEMNIFICATION

A. Professional Services: When the law establishes a professional standard of care for Contractor's services, to the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless County and any and all of its Board members, officials, employees and agents from and against any and all losses, liabilities, damages, costs, and expenses, including legal counsel's fees and costs but only to the extent Contractor is responsible for such damages, liabilities, and costs on a comparative basis of fault between Contractor and the County in the performance of professional services under this Agreement. Contractor shall not be obligated to defend or indemnify the County for its own negligence or for the negligence of third parties.

B. All Other Services: Other than in the performance of professional services, including agreements where professional services will be provided along with other types of services, and to the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the County, and any and all of its Board members, officials, employees, and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a

consequence of, or are in any way attributable to, in whole or in part, any act, omission, fault or negligence, whether active or passive, by Contractor or by any individual or entity for which Contractor is legally liable, including, but not limited to, officers, agents, employees, or subcontractors of Contractor.

C. This indemnification specifically includes any claims that may be against the County by any taxing authority or third party asserting that an employer-employee relationship exists by reason of this Agreement.

D. These indemnification obligations shall survive the termination of this Agreement as to any act, omission, fault or negligence occurring during this Agreement or any extension of this Agreement. The County's rights to indemnification are in addition to and shall not limit any other rights or remedies the County may have under law or this Agreement.

10. INDEPENDENT CONTRACTOR

Contractor is an independent contractor and not an agent, officer, or employee of the County. The parties mutually understand and agree this Agreement is by and between two independent contractors and is not intended to, and shall not be construed to create, the relationship of agent, servant, employee, partnership, joint venture, or association.

11. COMPLIANCE WITH LAW

Contractor shall comply with all federal, state, and local laws and regulations applicable to its performance including, but limited to, Government Code section 8350 *et seq.* regarding a drug free workplace, all health and safety standards set forth by the State of California and County, and the California Public Records Act, Government Code section 6250 *et seq.*

Prevailing Wage. Contractor understands and agrees that the work performed under this Agreement is subject to prevailing wage as set forth in the California Labor Code. Contractor further understands and agrees that it shall bear sole responsibility for ensuring the enforcement thereof including registering with and submitting certified payrolls to the Department of Industrial Relations for compliance monitoring pursuant to Labor Code section 1725.5.

12. CONFIDENTIALITY

Contractor shall not use the County's confidential information for any purpose other than carrying out Contractor's obligations under this Agreement. Contractor shall prevent unauthorized disclosure of any County confidential information. Contractor shall promptly transmit to the County all requests for disclosure of the County's confidential information.

13. CONFLICT OF INTEREST

Contractor warrants that its employees or their immediate families or Board of Directors or officers have no financial interest, including, but not limited to, other projects or independent

contracts, and shall not acquire any financial interest, direct or indirect, which conflicts with the rendering of services under this Agreement. Contractor shall employ or retain no such person while rendering services under this Agreement. Services rendered by Contractor's associates or employees shall not relieve Contractor from personal responsibility under this clause. Contractor has an affirmative duty to disclose to County in writing the name(s) of any person(s) who have an actual, potential or apparent conflict of interest.

14. NONDISCRIMINATION

In rendering services under this Agreement, Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations and shall not discriminate based on age, ancestry, color, gender, marital status, medical condition, national origin, physical or mental disability, race, religion, gender identity, gender expression, sexual orientation, or any other protected basis.

Further, Contractor shall not discriminate against its employees, which includes, but is not limited to, employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

15. SUBCONTRACTORS

Contractor shall include the following provisions in any and all agreements between Contractor and any subcontractors: Section 5 Records and Inspections, Section 8 Insurance, Section 9 Indemnification, Section 11 Compliance with Law, Section 12 Confidentiality, Section 13 Conflict of Interest, Section 14 Nondiscrimination, and Section 24 ADA Compliance.

16. ASSIGNMENT

Contractor shall not assign this Agreement without the prior written consent of the County subject to any required state or federal approval. Assignment by Contractor of any monies due shall not constitute an assignment of the Agreement.

17. UNFORESEEN CIRCUMSTANCES

Neither party shall be responsible for any delay caused by governmental agencies, utilities, third parties not under either parties' control, the supply chain, inclement weather, natural disaster, epidemic, war, civil disturbance, labor dispute or other cause beyond a party's reasonable control, provided written notice is provided to the other party of the cause of the delay within ten (10) days of the start of the delay. Thereafter, the parties shall meet and confer as to whether to amend, suspend, or terminate this Agreement.

The parties understand and acknowledge that funding for this Agreement is dependent upon the completion of work by the deadlines as set forth in Exhibit A. The parties therefore agree that nothing in this Section shall relieve them of their duty to make their best efforts to

prevent or mitigate delays if possible.

18. OWNERSHIP OF DOCUMENTS

The County shall be the owner of and shall be entitled to possession of any computations, plans, correspondence or other pertinent data and information gathered by or computed by Contractor prior to termination of this Agreement by the County or upon completion of the work pursuant to this Agreement. The County's reuse of any such materials on any project other than the project for which they were originally intended shall be at the County's sole risk. No material prepared in connection with the project shall be subject to copyright in the United States or in any other county.

19. NOTICE

Any notice necessary to the performance of this Agreement shall be given in writing by personal delivery, fax, overnight carrier, e-mail with read receipt acknowledgment, or by prepaid first-class mail addressed as follows:

COUNTY:

KINGS COUNTY HUMAN SERVICES AGENCY
ATTN: DIRECTOR
1400 W. LACEY BLVD.
HANFORD, CA 93230

CONTRACTOR:

GREEN GALAXY BUILDERS, INC.
2398 WALSH AVE.
SANTA CLARA, CA 95051

If notice is given by: a) personal delivery, it is effective as of the date of personal delivery; b) fax, it is effective as of the date of the fax; c) overnight carrier, it is effective as of the date of delivery; d) e-mail, it is effective as of the date it was sent, with read receipt acknowledgment; e) mail, it is effective as of five (5) days following the date of mailing or the date of delivery reflected upon a return receipt, whichever occurs first.

20. CHOICE OF LAW

The parties have executed and delivered this Agreement in the County of Kings, State of California. The parties agree that the laws of the State of California shall govern the validity, enforceability, or interpretation of this Agreement. The parties further agree this Agreement was entered into and will be performed in Kings County, thereby rendering Kings County as the appropriate venue for any action or proceeding in law or equity that may be brought in connection with this Agreement. Contractor hereby waives any rights it may possess under Section 394 of the Code of Civil Procedure to transfer to a neutral county or other venue any action arising out of this Agreement.

21. SEVERABILITY

If any of the provisions of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified

to the limited extent required to permit enforcement of the Agreement as a whole.

22. SURVIVAL

The following sections shall survive the termination of this Agreement: Section 5 Records and Inspections, Section 8 Insurance, Section 9 Indemnification, and Section 12 Confidentiality.

23. NO THIRD PARTY BENEFICIARIES.

Unless otherwise specifically stated within this Agreement, the County and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any right or benefit, whether directly or indirectly or otherwise, to a third party.

24. ADA COMPLIANCE

Contractor shall comply with the Americans with Disabilities Act, Title II and applicable California state laws. The law providing the greatest degree of access to qualified persons with disabilities shall apply to this Agreement.

Contractor shall ensure that all persons receiving programs, services, or activities through this Agreement shall receive a copy of or have access made available to the County's ADA grievance procedures as set forth in County's ADA Self-Evaluation, Appendix E, which is attached to this Agreement as **Exhibit C**.

25. ENTIRE AGREEMENT; COUNTERPARTS; CONTRIBUTIONS OF BOTH PARTIES; IMAGED AGREEMENT; ORDER OF PRECEDENCE

This Agreement, including its Recitals and Exhibits, which are fully incorporated into and are integral parts of this Agreement, constitutes the entire agreement between the parties and there are no inducements, promises, terms, conditions, or obligations made or entered into by the County or Contractor other than those contained herein.

This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

The parties agree that each party had an opportunity to review this Agreement, consult with legal counsel, and negotiate terms, and it is expressly agreed and understood the rule stated in Civil Code section 1654, that ambiguities in a contract should be construed against the drafter, shall have no application to the construction of the Agreement.

An original, executed, Agreement may be imaged and electronically stored. Such imaged Agreement may be used in the same manner and for the same purposes as the original. Neither party may object to the admissibility of the imaged Agreement on the basis that it was not

originated or maintained in documentary form.

In the event of a dispute between this Agreement and any exhibit thereto, this Agreement shall take precedence unless the terms of the exhibit are stricter or more inclusive, in which case the terms of the exhibit shall take precedence.

26. AUTHORITY

Each signatory to this Agreement represents it is authorized to enter into this Agreement and bind the party to which its signature represents.

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

COUNTY OF KINGS

GREEN GALAXY BUILDERS, INC.

By: _____
Doug Verboon, Chairman

By: Michael McCarthy
Michael McCarthy, CEO

ATTEST:

Catherine Venturella, Clerk to the Board

Approved and Endorsements Received:

APPROVED AS TO FORM:
Lee Burdick, County Counsel

Sande Huddleston, Risk Manager

By: _____
Carrie R. Woolley, Assistant County Counsel

Exhibits/Attachments:

- Exhibit A:** Scope of Work
- Exhibit B:** Compensation/Fees
- Exhibit C:** Kings County ADA Grievance Procedures
- Exhibit D:** Additional Provisions

Exhibit A: Scope of Work

Green Galaxy Builders, Inc. will provide professional services for project management, surveying and base mapping, roadway, utility coordination, and installation and construction of twenty-four (24) modular home units as detailed below.

1.1 Background information:

The project is part of the Homekey Program, which is intended to provide permanent affordable housing for individuals and families who are experiencing homelessness or who are at risk of homelessness.

This project and its funding was authorized under Assembly Bill No. 83 (2019-2020 Reg. Sess.), which added sections 50675.1.1 and 50675.1.2 to the Multifamily Housing Program (“MHP”) (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Health and Safety Code section 50675.1.1 is the statutory basis for the Homekey Program (“Homekey” or “Program”). Health and Safety Code section 50675.1, subdivision (d) authorizes the Department of Housing and Community Development (“Department” or “HCD”) to administer MHP.

The Department issued a Notice of Funding Availability (“NOFA”) for the Homekey Program on July 16, 2020. The NOFA incorporates by reference the MHP, as well as the MHP Final Guidelines (“MHP Guidelines”), dated June 19, 2019, both as amended and in effect from time to time. In addition, the NOFA states that Homekey grant funds are derived primarily from Coronavirus Relief Fund (“CRF”) money received from the U.S. Department of the Treasury. The CRF was established by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law No. 116-136).

1.2 Site size and overall plan:

The proposed project sits on approximately 4.10 acres. Green Galaxy Builders, Inc. will need to use only that portion of the site necessary to prepare the site and install twenty-four (24) manufactured homes/units. The manufactured units will include 2 bedrooms, a bathroom, and a kitchen and be approximately 600 sq ft.

1.3 Labor knowledge

Green Galaxy Builders, Inc. shall supply all adequate and competent labor, supervision, tools, equipment, installed and consumable materials, services, testing devices, and each and every item of expense necessary for (but not limited to): design; engineering; supply; fabrication; field erection; application; hauling; grading; receiving; handling and unloading; field installation; construction; warehousing; lay down areas; assembly; testing; evaluation; quality assurance; fitting of material.

1.4 Housing codes

All units shall meet or exceed all federal, state, and local building codes that would allow individuals to be housed in single family and/or multi-family units. At a minimum, 10 percent of the units must have features accessible to persons with mobility disabilities, as defined in 24 C.F.R. Section 8.22 and the parallel ADAAG 2010 and CBC provisions, and a minimum of 4 percent of units must have features accessible to persons with hearing or vision disabilities, as defined in 24 C.F.R. Section 8.22

and the parallel ADAAG 2010 and CBC Chapter 11B provisions. Thus, for this project a minimum of 3 unique and separate units must meet ADA requirements.

The site itself will also need to meet or exceed all federal, state, and local codes that deal with a subdivision of this kind including, but not limited to, storm drainage, grading, a paved parking lot, ADA accessibility, connection or installation of utilities, and any other required improvements.

1.5 Purchasing timelines and Insurance

1.5.1 Purchasing of materials

Purchase of all materials and supplies should be done no later than 12/24/20. This project is funded with State and Federal funds. The majority of these funds must be expended by 12/30/20.

1.5.2 W9

Green Galaxy Builders, Inc. will provide the County a W9 by 12/16/20, to ensure the payment process will be able to be completed in a timely manner.

1.5.3 Insurance

The insurance policy requirements stated in Section 8 of this agreement shall be given to the County's Risk Manager by 12/18/20.

1.6 Communication during project

1.6.1 Project Development Team (PDT) Meeting

Green Galaxy Builders, Inc., with input from the County, will establish Project Development Team (PDT) meetings for this project. The purpose of the PDT meetings is to provide a forum to share project information, identify critical issues, make decisions, assign project tasks, identify design criteria, or any other items critical to project delivery. Meetings should occur with at least a bi-weekly frequency.

1.6.2 Monthly Progress Reports

Green Galaxy Builders, Inc. will prepare monthly status spreadsheets with each of the invoices submitted for payment. This scope assumes a total of 6 monthly progress reports.

1.7 Performance

In the performance of this scope of services, Green Galaxy Builders, Inc. will diligently perform this scope of work and will be responsible for items of work under this contract to the extent that issues arising from the performance of these services are within its reasonable control.

2.1 Site Prep

Green Galaxy Builders, Inc. will be responsible for all site preparation, ensuring that all required reports and permits are obtained. All work shall meet or exceed local, state and federal codes and regulations.

3.1 Units

3.1.1 Specifications of the units

(12) Units New SIP's Vertical Turnkey Construction plus Design & Including Foundation Up, Complete Turnkey Interior & Exterior Finishes, Fire Sprinkler Systems & Design, Smoke & Carbon Monoxide Detectors, Electric Water Heater, Electric HVAC Systems with Electric Kitchen Appliances, Cabinets & Countertops to be delivered by March 30,2021.

(12) New HUD Factory Built Units Including Foundation Up, Complete Turnkey Interior & Exterior Finishes, Fire Sprinkler Systems & Design, Smoke & Carbon Monoxide Detectors, Electric Water Heater, Electric HVAC Systems with Electric Kitchen Appliances, Cabinets & Countertops to be delivered by June 30, 2021.

The manufactured units will include 2 bedrooms, a bathroom, and a kitchen and be approximately 600 sq ft. ADA requirements are listed in 1.4 (Housing Codes).

3.1.1.2 Standard Equipment

Each unit will include its standard equipment, which includes the following:

STANDARDS

CREEKSIDE MANOR STANDARDS

CONSTRUCTION

- 8' Flat Ceiling Throughout
- 12" Eaves Hitch End Only
- Nominal Eaves Sides & Rear - All Except 28' & 40' Wides
- 6" Eaves Sides & Rear - 28' & 40' Wides Only
- 20# Roof Load
- 2x4 Exterior walls
- 2x6 Floor Joists 16" on Center
- 3/12 Roof Pitch
- 5/8" Tongue & Groove Floor Decking
- R-22 Ceiling Insulation
- R-13 Wall Insulation
- R-11 Floor Insulation

EXTERIOR

- 36" In-swing Steel Front Door
- Standard Front & Rear Porch Lights
- Class A Shingles
- Cemplank® Vertical Siding
- Cemplank® Fascia
- Cemplank® Perforated Soffit
- 32" In-swing 6-Panel Rear Door
- Shutters Hitch & Front Door Side - Single-Wides Only
- 4" Cemplank® Window Trim Throughout
- Low "E" Dual Glaze Windows Throughout

KITCHEN

- Bank of Drawers
- Laminate Countertop with Bevel or Perma Edge
- Stainless Steel Deep Well Sink
- Lined Overhead Kitchen Cabinets
- Brushed Nickel Kitchen Faucet
- Shelf Over Refrigerator
- Ceramic Tile Backsplash
- Flat Panel MDF Cabinet Doors

INTERIOR

- Tape & Texture Throughout with Rounded Corners
- 6-Panel Interior Doors
- White 2-1/4" Door Case Molding
- Brushed Nickel Lighting & Hardware Throughout
- Carpet in Closets Throughout
- 3" Baseboard Molding in Wet Areas Only
- Standard Heat Registers Throughout
- Wire Vented Shelving Throughout
- Simply Stated Carpet
- #4 Rebond Carpet Pad
- Linoleum in Kitchen, Dining, Baths & Utility

APPLIANCES

- Deluxe Gas Range
- 18 CF Frost Free Refrigerator
- 30" Vented Range Hood with Light

PLUMBING/HEATING/ELECTRICAL/UTILITY

- Gas Forced Air Furnace
- Cemplank® Water Heater Door with Hinges
- Shutoff Valves Throughout
- Wire & Vent for Electric Dryer
- Wire Shelf Over Washer & Dryer
- 30 Gallon Electric Water Heater
- 100 AMP Electrical Service
- Exterior GFI Receptacle
- Carbon Monoxide & Smoke Detectors
- Surface Mount Ceiling Lights Throughout

BATHS

- Brushed Nickel Faucets & Shower Diverters
- Brushed Nickel Towel Bar and Tissue Holder
- 60" 2-Piece Tub & Shower Combo
- Acrylic Bath Sinks

3.1.1.3 Exception to Standard Equipment

In lieu of the deluxe gas range provided as standard equipment for the manufactured homes to be provided, Contractor will provided a comparable electric free standing range.

The water heater above will be substituted for an “on-demand” electric water heater.

The first twelve (12) unit completed will have a vaulted ceiling and will meet or exceed the above specifications but will use SIP’s (as mentioned in 3.1.1).

All units will have an electric furnace (as opposed to Gas), with the first twelve (12) having them mounted to the wall. The remaining units will have an electric furnace located in an outside utility closet.

The county will reserve the right to approve any design changes.

3.1.2 Special request by Green Galaxy Builders, Inc.

For the 12 manufactured homes: Contractor will use Park Set foundation or Block & Pier foundation (which is considered permanent).

3.1.3 Utilities

3.1.3.1 Connections

Green Galaxy Builders, Inc. will prepare and request applicable permits. All units within this project will need to have water, sewage, gas, and power connections. Green Galaxy Builders, Inc. will map the existing utilities based on as-built plans, utility maps, field observation, and topographic surveys of above-ground utilities. If conflicting utilities are identified, Green Galaxy Builders, Inc., will coordinate with the utility companies to relocate their facilities.

3.1.3.2 Special request by Green Galaxy Builders, Inc.

The property owner plans on fully developing the site in the future with an additional 24 units (for a total of 48), a thrift/retail store, warehouse, and laundry area to provide a self-contained community living site. According to information obtained during an on-site visit with a Southern California Edison Representative, the 24 units to be built under this Agreement can be serviced using the existing electrical load. However, the electrical capacity will need to be increased to handle the property owner’s future expansion plans. The parties understand and agree that the increase in electrical capacity is not a part of this Agreement and is not the responsibility of Green Galaxy Builders, Inc. unless performed under separate contract and for additional compensation.

3.1.4 Additional amenities

In addition to the standard amenities given within each unit (based on the above information), the following will be included for an additional \$10,000/unit:

- (1) Each window should have dimension appropriate blinds.
- (2) For each bedroom, units will come with queen size mattress and box spring, appropriately sized bed frame, nightstand dresser, and mirror. There should be a ceiling fan with light in each bedroom. Bed linens for suitable for the mattress should also be provided.
- (3) In the bathroom, a standard vanity with a sink and cabinets will be installed. A small trash receptacle will be made available.
- (4) In the living area, a 3-person sofa, coffee table, and end table will be provided. A TV stand with an appropriately-sized TV will also be made available with a coaxial or HDMI connection. A ceiling fan with light will also be installed.
- (5) In the kitchen/dining area, a dining table with chairs and basic dishes and cookware will be provided, as well as an installed dishwasher and garbage disposal. A countertop microwave, toaster, trash receptacle, blender and dish drying rack will also be included.

3.2 Quality Assurance/Quality Control

Green Galaxy Builders, Inc. will ensure that all housing codes are followed (Sec 1.4 Housing Codes) and correct any issue(s) that do(es) not pass inspection.

4.1 Exterior

4.1.1 Codes

The site itself will need to meet or exceed all federal, state, and local codes that deal with a subdivision of this kind (including but not limited to storm draining, grading, a paved parking lot, ADA accessibility, and any other required road and/or sidewalk improvements).

4.1.2 Utility Connections

Green Galaxy Builders, Inc. will prepare and request applicable permits. All units within this project will need to have water, sewage, and power connections. Green Galaxy Builders, Inc. will map the existing utilities based on as-built plans, utility maps, field observation, and topographic surveys of above-ground utilities. If conflicting utilities are identified, Green Galaxy Builders, Inc. will coordinate with the utility companies to relocate their facilities.

4.2 Traffic

To the extent relevant to this project, Green Galaxy Builders, Inc. will be responsible for ensuring that rules and regulations relating to the operation of motor vehicles within this development will be followed.

4.3 Quality Assurance/Quality Control

Green Galaxy Builders will ensure that all codes are followed and must correct any issue that does not meet inspection.

5.1 Timeframe for Completion

Site Plan/architect plans for approval by Dec 20, 2020

Engineering plan for approval by Dec 24, 2020

Civil work to begin Jan 2, 2021

50% Completion (12 units) with certificate of occupancy by March 30, 2021

100% Completion (24 units) with certificate of occupancy by June 30, 2021

6.1 General Support

6.1.1 Construction Support

Green Galaxy Builders, Inc. and subcontractors will provide assistance, as required, to the County during construction of the project. The work may include responding to request form utility companies, city or county officials, and other entities.

6.1.2 Record Drawings

Green Galaxy Builders, Inc. will provide Record Drawings to the County after construction is complete.

EXHIBIT B:

Total maximum compensation for this Agreement shall not exceed \$4,838,251.

The above amount includes all labor and materials, as well as any other costs that may be incurred on this project.

Contractor shall have the flexibility to utilize its budget as needed to complete the project. However, Contractor understands and agrees that any labor costs, including, but not limited to, labor associated with site preparation and unit installation, incurred after December 30, 2020, shall not exceed \$500,000.

Contractor further understands and agrees to order and bill for all of the manufactured units, any related materials, and any materials needed for site preparation prior to 12/24/2020. Contractor shall pay its vendors and subcontractors according to its normal business practices and ensure that products are delivered and services provided within the Homekey project timelines as reflected in the scope of work for this Agreement, forth in Exhibit A.

Cost Type	Cost	Billed by:
Manufactured Homes / Units	\$ 3,109,000.00	12/24/2020
Site Preparation /civil work (materials /permit fees / labor)	\$ 571,228.00	12/24/2020
Labor costs - Site Preparation / Unit installation	\$ 500,000.00	As Incurred
Contingency	\$ 418,023.00	12/24/2020
Unit furnishing and additional appliances	\$ 240,000.00	12/24/2020
Maximum Agreement Compensation	\$ 4,838,251.00	

EXHIBIT C

Kings County ADA Grievance Procedure

Kings County Grievance Procedure under ADA or California State Disability Civil Rights Laws

This grievance procedure is established to meet the requirements of the Americans with Disabilities Act of 1990 ("ADA"), the Americans with Disabilities Amendments Act (ADAAA) and California State law. Except as otherwise indicated, it may be used by anyone wishing to file a complaint alleging discrimination on the basis of disability in the provision of services, activities, programs or benefits by Kings County. The procedure should also be used to address all complaints regarding barriers to physical access to any County facility.

NOTE: Discrimination complaints by applicants for, and recipients of, public benefits administered by the County are handled by the Human Services Agency, pursuant to state law and the Human Services Agency's Administrative policy and Procedure No. 23. Notice of this fact is provided to all applicants and recipients. For more information, please contact the Program Manager/Civil Rights Coordinator for the Human Services Agency at 559.852.2201. If you submit a complaint to the ADA Coordinator that should be directed to the Human Services Agency, your complaint will be forwarded to the Human Services Agency, and will be deemed received by the Human Services Agency upon actual receipt by it for purposes of the filing and response deadlines stated in Policy and procedure No. 23. Please also note that the County's Personnel Rules govern employment related complaints of disability discrimination. Please refer to section 10200 to 10250 of the Personnel Rules regarding the County's grievance procedure, as well as Chapter 14 of the Personnel Rules regarding discrimination complaints. The process described in either part may be relied upon to make a complaint of disability discrimination.

A complaint using this procedure should be in writing and should contain information about the alleged discrimination such as name, address, and phone number of the complainant and location, date and description of the problem(s). If you are viewing these instructions online at the County's website, please find the form for making a complaint below. Copies of the complaint form are also available from the Public Works Department or County Administration Office, County Government Center, 1400 West Lacey, Hanford, CA 93230. Alternative means of filing a complaint, such as personal interviews or a tape recording of the complaint, are available to person with disabilities upon request.

The complaint should be submitted by the complainant and/or his/her designee as soon as possible, but not later than 60 calendar days after the alleged violation to:

ADA Coordinator
County Government Center
1400 West Lacey Blvd.
Hanford, CA 93230

If this complaint is being made on behalf of someone other than me, that person's contact information is:

My complaint relates to circumstances that occurred:

- a) On the following date:
- b) At the following location:

My complaint is as follows:

(Please be as specific as possible, and include the names and contact information of anyone who might have knowledge of the facts giving rise to your complaint. To help us to address your concerns promptly, please stick to the facts: who, what, when, where, and how. Please attach additional pages if necessary.)

EXHIBIT D – ADDITIONAL PROVISIONS

ARTICLE 1 **GENERAL PROVISIONS**

1.1 BASIC DEFINITIONS

1.1.1 Owner: The County of Kings is the Owner as used throughout the Contract Documents.

1.1.2 Owner's Representative: This term shall refer to the Owner's designated representative or to an officer of the County of Kings as may otherwise be designated in the Supplemental Conditions.

1.1.3 Contractor: The person or entity identified as such in the Agreement and referred to throughout the Contract Documents as if singular in number. The term Contractor means Contractor or Contractor's authorized representative.

1.1.4 Inspector: The third party inspector hired by the Owner to inspect the work or its agent employed as the inspector of the Work.

1.1.5 Subcontractor: Those contractors, of whatever tier, including manufacturers, dealers, or suppliers, whether general or special, furnishing labor or material, or both, for the Work under contract with Contractor. The singular includes the plural.

1.1.6 Guarantee Period: Contractor shall guarantee all materials and equipment furnished and Work performed for a period of one (1) year from the date of Notice of Completion.

1.2 EXCESSIVE COSTS

1.2.1 Construction Methods: If Contractor's construction methods and techniques result in additional costs to Owner, Contractor, upon written notice by Owner of unacceptable methods or techniques, shall be responsible for any and all costs attributable to said methods and techniques. This section includes, but is not limited to, Contractor's ability to coordinate or work with Owner or Inspector.

1.2.2 Failure to comply with Contract: If Contractor fails to comply with any Contract requirement, including required coordination with other contractors or governmental agencies, and that failure results in additional work to Owner or Inspector, consultants, or other contractors, Contractor shall be liable for any additional costs incurred, directly or indirectly, by Owner from the resulting additional work. This section includes, but is not limited to, work related to failed inspections, Requests for Instructions (RFIs) for repairs, deviations from previously reviewed and accepted submittals, or deviations from the Contract Documents.

ARTICLE 2 **OWNER**

2.1 OWNER'S REPRESENTATIVE

2.1.1 Inspector is Owner's Representative: Owner will be represented by Inspector who shall see that the performance of the Work proceeds in strict accordance with all applicable state and local laws and regulations and in accordance with all properly obtained permits.

2.1.2 Owner May Appoint Another Inspector: Owner shall be entitled to appoint such other agent(s), as in Owner's opinion is duly qualified to carry out the duties of Inspector.

2.2. OWNER'S RESPONSIBILITIES

2.2.1 Owner shall expedite all permits and inspections to the extent reasonably possible and within Owner's control. For situations in which the Owner does not have control over the permitting and inspection process, Owner shall make all reasonable efforts to assist Contractor in expediting the process.

ARTICLE 3 **CONTRACTOR'S RESPONSIBILITIES**

3.1 SUPERVISION AND CONSTRUCTION PROCEDURES

3.1.1 Supervision of Work: Contractor shall supervise and direct the Work using Contractor's best skill and attention. Contractor shall be solely responsible for and have control over construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the Work under the Contract Documents unless the Contract Documents give other specific instructions concerning these matters.

3.1.2 Acts of Employees and Agents: Contractor shall be responsible to Owner for acts and omissions of Contractor's employees, Subcontractor, their agents and employees, and any other persons performing portions of the Work under a contract with Contractor or under the direction of Contractor.

3.1.3 Inspector's Acts Do Not Waive Contractor's Obligation: Contractor shall not be relieved of any obligation to perform the Work in strict accordance with the Contract Documents either by activities or duties of Inspector in Inspector's administration of the Contract Documents, or by tests, inspections, or approvals required or performed by persons other than Contractor.

3.2 STATE LABOR REQUIREMENTS

3.2.1 Hours of Work:

3.2.1.1 Eight (8) hours of labor shall constitute a legal day's work and it is expressly stipulated that no worker employed at any time by Contractor or Subcontractor shall be required or permitted to work thereon more than eight (8) hours in any one (1) calendar day and/or more than forty (40) hours in any one (1) calendar week except as provided in Section 1815 of the Labor Code. It is further expressly stipulated that for each and every violation, Contractor shall forfeit, as a penalty to Owner under Section 1813 of the Labor Code, twenty-five dollars (\$25.00) for each worker employed in the execution of this Contract, or by any Subcontractor, for each calendar day during which said worker is required or permitted to labor more than eight (8) hours in any one (1) calendar day or more than forty (40) hours in any one (1) calendar week in violation of the provisions of the Labor Code.

3.2.1.2 In accordance with the provisions of the Labor Code, Contractor, and each Subcontractor, shall also keep an accurate record showing the names and actual hours worked for all workers employed by him or her in connection with the Work, which record shall be open at all reasonable hours to the inspection of Owner or its officers or agents, and to the Labor Commissioner, the Division of Labor Standards Enforcement or the Labor Commissioner's deputies or agents.

3.2.2 Apprentice Employment: Contractor or Subcontractor employing tradesmen in any apprenticeable occupation shall comply with the provisions of Section 1777.5 and 1777.6 of the Labor Code in the employment of apprentices.

3.2.3 Wage Rates:

3.2.3.1 Pursuant to Article 2, Section 1770 et seq. of the Labor Code, each worker of Contractor or Subcontractor engaged in the Work shall be paid not less than the hourly wage rate of per diem wages set forth in the prevailing wage rate schedule published by the Director of the Department of Industrial Relations, regardless of any contractual relationship which may be alleged to exist between Contractor or Subcontractor and such workers.

3.2.3.2 Any worker employed to perform the Work, which work is not covered by the prevailing wage rate schedule, shall be paid not less than the prevailing rate of per diem wages specified herein for the classification which most nearly corresponds to the work to be performed by him or her.

3.2.3.3 The foregoing specified prevailing wage rates are minimum rates only and Contractor may pay any wage rate in excess of the applicable rate.

3.2.3.4 Pursuant to Section 1775 of the Labor Code, Contractor as a penalty to Owner shall forfeit two hundred dollars (\$200.00) for each calendar day, or portion thereof for each worker paid less than the prevailing rate established by the Department of Industrial Relations for such work or craft in which the worker is employed. The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which the worker was paid less than the prevailing wage rate shall be paid to each worker by Contractor.

3.2.3.5 An error on the part of Owner does not relieve Contractor from responsibility for payment of the prevailing rate of per diem wages or liability for any penalties pursuant to Sections 1770 to 1775 of the Labor Code, inclusive.

3.2.3.6 Copies of the applicable prevailing wage rates are on file with the Kings County Director of Public Works, 1400 West Lacey Boulevard, Hanford, California, and are available to any interested party on request.

3.2.3.7 Monitoring of compliance with prevailing wage requirements shall be done by the Department of Industrial Relations. Contractor and Subcontractor must be registered with the Department of Industrial Relations as required under Section 1725.5 of the Labor Code and maintain compliance with any and all statutory, regulatory, or departmental policies or procedures concerning said compliance.

3.2.4 Certified Payroll: As required under the provisions of Section 1776 of the Labor Code, Contractor and Subcontractor shall keep accurate payroll records:

3.2.4.1 The payroll records shall show the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee by him or her in connection with the Work.

3.2.4.2 A certified copy of all payroll records enumerated above shall be available for inspection at all reasonable hours at the principal office of Contractor as follows:

- a.** Made available or furnished to the employee or his or her authorized representative on request.
- b.** Made available for inspection or furnished upon request to Owner, Inspector, the Division of Labor Standards Enforcement, and the Department of Industrial Relations.
- c.** Made available upon request by the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either Owner, Inspector, the Division of Labor Standards Enforcement, or the Department of Industrial Relations. The requesting party shall, prior to being provided the records, reimburse the costs of preparation by Contractor, Subcontractor, and the entity through which the request was made. The public shall not be given access to the records at the principal office of Contractor.

3.2.5 Discrimination in Employment: In accordance with the provisions of Section 12940 of the Government Code and Section 1735 of the Labor Code, neither Contractor nor Subcontractor shall be discriminate in their employment of persons.

3.2.6 Convict Made Materials: Except as may be provided by law, Contractor agrees that no materials manufactured or produced in a penal or correctional institution shall be incorporated in the Work.

3.2.7 Statutory Exemptions: Any or all portions of this Section shall not be applicable to the extent that Contractor is specifically exempted from said requirements by statute. However, in the event that Contractor is so exempted, Contractor shall provide the legal authority for the claimed exemption.

3.3 TAXES

3.3.1 Contractor Pays Taxes: Contractor and Subcontractor shall pay all local, state, and federal taxes upon labor or materials involved in their part of the Work, which shall be included in the Contract Price.

3.4 COMPLIANCE WITH LAW AND LOCAL REQUIREMENTS

3.4.1 Regulations: Contractor and Subcontractor shall conform to and abide by any and all city, county, and state laws, ordinances, rules, and regulations, applicable to the Work. The Work shall be constructed in accordance with the standards and policies relating to energy efficiency, which are contained in the state energy conservation plan as issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163).

3.4.2 Permits, Licenses, and Fees: Contractor shall give all notices and shall procure all permits, licenses, and inspection fees that may be required to commence, carry on, and complete the Work. Owner shall reimburse for the cost of said permits, licenses, or inspection fees, as well as any impact fees, as assessed by the relevant local agency.

3.4.3 Patent Rights, Copyrights, Trade Names, and Royalties: Contractor shall indemnify and hold harmless Owner and all persons acting under him or her for all liability on account of any patent rights, copyrights, or trade names which may affect the articles or materials or their application under the

Contract Documents. Contractor shall pay all royalties, or other charges that may arise, due to methods, types of construction, processes, materials, or use of equipment, and shall hold Owner harmless from any charges whatsoever which may arise, and shall furnish written assurance, satisfactory to Owner, that such charges have been paid.

3.5 GUARANTEE

3.5.1 Final Guarantee: Contractor warrants and guarantees for the Guarantee Period that the Work is free from all defects due to faulty materials or workmanship and Contractor shall promptly make such corrections as may be necessary, including repairs of any damage to other parts of the Work or other parts of Owner's property, real or personal, resulting from such defects. Owner will give notice of observed defects with reasonable promptness. In the event that Contractor should fail to make such repairs, adjustments, or other Work that may be made necessary by such defects, Owner may do so and charge Contractor the cost thereby incurred. The Maintenance Bond shall remain in full force and effect through the Guarantee Period.

3.6 WARRANTY

3.6.1 Contract Warranty: Contractor warrants to Owner that materials and equipment furnished for the Work will be of good quality and new, unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects or flaws and is of the highest quality of workmanship, and that the Work will conform with the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective.

3.7 INDEMNIFICATION

3.7.1 Owner Not Liable for Damages: Owner shall not in any way or manner be answerable or suffer loss, damage, expense, or liability for any loss or damage that may happen to the Work, or part thereof, or in or about the same during its construction and before acceptance and that Contractor shall assume all liabilities of every kind or nature arising from the Work, either by accident, negligence, theft, vandalism, or any causes whatever. Contractor shall hold Owner, its officials, officers, employees, and agents harmless from all liability of every kind and nature arising from accident, negligence, or any cause whatever, except the active, sole negligence of Owner its officials, officers, employees, and agents.

3.7.2 Owner not Liable for Debts: Indebtedness incurred for any cause in connection with this Work must be paid by Contractor and Owner is hereby relieved at all times from any indebtedness or claim other than the Contract Price.

3.7.3 Contractor Responsible for Accident, Damage, etc.: To the fullest extent permitted by law, Contractor shall be responsible for any and all loss, accident, neglect, injury or damage to person, life, or property which may be the result of, caused by, or arise out of his performance of the Work.

3.7.4 Contractor Indemnifies Owner: Contractor shall indemnify Owner, Inspector, and their officials, officers, employees, and agents and hold them free, safe, and harmless of, from, and against any and all liability, claims, losses, damages, or expenses, including reasonable attorneys' fees, arising from all acts or omissions of Contractor or its officers, agents, employees, contractors, or Subcontractor in rendering services under the Contract Documents, except for any liability, claims, losses, damages, or expenses arising from the sole negligence or willful acts of Owner, its officials, officers, employees and agents.

3.7.4.1 Contractor shall defend or, at Owner's sole option, reimburse Owner upon demand for all reasonable costs and expenses, including attorneys' fees, which Owner may incur in resisting any claim which may be made against Owner for any injury or damage to any person or property.

3.7.4.2 In any and all claims against Owner or Inspector or their officials, officers, employees and agents, by any employee of any Subcontractor, anyone directly or indirectly employed by any of them, or anyone for those acts any of them may be liable, the indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any Subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts. Upon demand, Contractor shall defend any suits or actions arising from such claims.

3.8 WORK REQUIREMENTS

3.8.1 Conduct of Work: Contractor shall confine the storage of his or her equipment and materials to limits as designated by Inspector. Contractor shall at all times exercise due caution and provide all necessary barricades and other safety equipment around the Work to protect the public from injury to person and property during the entire time of performance of the Work. Contractor shall not create excessive dust or noise.

3.8.2 Maintenance of Site: Strict prohibition against committing nuisances in or about the Work shall be maintained and Contractor shall not in any way obstruct or interfere with movements of traffic on any public highway or public right of way without first obtaining the necessary approval of the proper public agency.

3.8.3 Clean Up of Site: Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations in performance of the Work. At completion of the Work, Contractor shall remove from and about the Work site waste materials, rubbish, tools, construction equipment, machinery and surplus materials. If Contractor fails to clean up, Owner may do so and the cost thereof shall be charged to Contractor.

3.8.4 Concealed or Unforeseen Conditions: If unknown, hidden, conditions are found during the placement of the off-site water and sewer lines on Tenth Avenue, the Contractor shall provide notice to the Owner of the conditions found prior to commencing work and provide an estimate of whether the latent conditions will result in an increase in time or cost to the project and, if so, the amount of increase. The County has the right to investigate such latent conditions and determine if they cause an increase in Contractor's cost of, or time required for, performance of any work under this Agreement. The parties shall then meet and confer to reach an agreement on what differences, if any, must be made to the Contractor's compensation under this Agreement. In the event the latent conditions result in a significant time delay, the parties shall also determine whether the delay prevents the Contractor from completing the work within the deadlines set forth in the Scope of Work contained in Exhibit A. If the delay will prevent the Contractor from being able to meet these deadlines, the parties may either terminate the Agreement or amend its terms.

3.9 SUBCONTRACTORS

3.9.1 Contractor Responsible for Subcontractor's Acts: Contractor shall be fully responsible to Owner for the acts and omissions, including negligence, of his or her Subcontractor, and of persons either

directly or indirectly employed by them, as he or she is for the acts, omissions, or negligence of persons directly employed by Contractor.

3.9.2 Contractor's Subcontracts: Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the Work to pass through and bind Subcontractor to the terms of the Contract Documents.

3.10 LABOR AND MATERIALS

3.10.1 Skilled Labor: All labor must be especially skilled for each type of the Work and must be thorough and first class in all respects. Any person whom Inspector or Owner may deem incompetent or disorderly shall be promptly removed from the Work site and not allowed to return in any capacity.

3.10.2 Quality of Materials: All materials used on the Work shall be new and the best market quality, unless specified or shown otherwise. The Work shall be done in the best, most thorough, substantial and workmanlike manner and without flaws. All material and labor shall be subject to the approval of Inspector as to its quality and fitness and shall be immediately removed if it does not meet with his or her approval. Inspector may refuse to issue any certificate or payment until all defective materials or work have been removed and other material of proper quality substituted therefor. All removal and replacement with same shall be done at Contractor's expense. Manufactured articles, materials, and equipment shall be applied, installed, connected, erected, used, cleaned and conditioned as directed by the manufacturer.

ARTICLE 4 **PROTECTION OF PERSONS AND PROPERTY**

4.1 PROTECTION OF WORK, PROPERTY, AND PERSONS

4.1.1 Responsible for Damage to Owner's Property: Contractor shall be entirely responsible for any damage to the property of Owner due to careless handling of tools and/or materials or other causes attributed to Contractor or any Subcontractor in performing the Work.

4.1.2 Responsible for Safety: Contractor will take all necessary precautions for the safety of and will provide the necessary protection to prevent damage, injury, or loss to all employees on the Work and other persons who may be affected thereby, all the Work and all materials or equipment to be incorporated therein, whether in storage on or off the site, and other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement during the course of construction.

4.1.3 Safety and Convenience: Contractor will comply with all applicable laws, ordinances, rules, regulations, and orders of any public body having jurisdiction. Contractor will erect and maintain, as required by the conditions and progress of the Work, all necessary safeguards for safety and protection. Contractor will notify the owners of adjacent utilities when progression of the Work may affect them.

4.1.4 Remedy Damages: Contractor will remedy all damage, injury, or loss to any property caused, directly or indirectly, in whole or part, by Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or anyone of whose acts Contractor may be liable, except damage or loss attributable to the sole fault or to the acts or omissions of Owner or Inspector or anyone employed by them and not attributable, directly, or indirectly, in whole or in part, to the fault or negligence of

Contractor.

4.1.5 Protection of Workers in Trenches: As required by Section 6705 of the Labor Code and any other applicable statute, law, or regulation, whenever the Work involves an estimated expenditure in excess of twenty-five thousand dollars (\$25,000) for the excavation of any trench or trenches five (5) feet or more in depth, Contractor shall submit for acceptance by Owner, or by a registered civil or structural Engineer employed by Owner to whom authority to accept has been delegated, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation, or such trench or trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Department of Industrial Relations, Division of Industrial Safety, the plan shall be prepared by a registered civil or structural engineer employed by Contractor and all costs therefor shall be included in the Contract Price for completion of the Work. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or other protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on Owner, Owner's Engineer, or any of their officials, officers, agents, representatives, or employees.

ARTICLE 5 **INSURANCE AND BONDS**

5.1 INSURANCE

5.1.1 Contractor shall procure and maintain for the Contract Time and for ten (10) years thereafter insurance against claims for injuries to persons or damages to property, which may arise from or in connection with, the performance of the Work by Contractor, his or her agents, representatives, employees, or Subcontractor. Coverage shall be at least as broad as the specifications set forth below.

5.1.2 Commercial General Liability Insurance (CGL): Contractor shall obtain CGL as provided in Insurance Services Office Form CG 00 01, including products and completed operations, with limits of no less than five million dollars (\$5,000,000) per occurrence for bodily injury, personal injury, and property damage. If a general aggregate term applies, either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit.

5.1.3 Automobile Liability: Contractor shall obtain automobile liability insurance as provided in Insurance Services Office Form Number CA 0001 covering Code 1 (any auto), with limits of no less than five million dollars (\$5,000,000) per accident for bodily injury and property damage.

5.1.4 Workers' Compensation: Contractor shall carry workers' compensation insurance as required by California law in at least the amounts set forth in the applicable statutes and shall also carry Employers' Liability insurance with a limit of no less than one million dollars (\$1,000,000) per accident for bodily injury or disease.

5.1.5 Professional Liability: For Design/Build projects, Contractor shall have professional liability insurance in an amount of not less than one million dollars (\$1,000,000) per occurrence or claim and with a three million dollars (\$3,000,000) policy aggregate.

5.1.6 Contractor's Pollution; Asbestos Liability; Errors and Omissions: If the Work includes environmental hazards, Contractor shall have contractors' legal liability, asbestos legal liability, and/or

errors and omissions insurance with limits of no less than one million dollars (\$1,000,000) per occurrence or claim and two million dollars (\$2,000,000) policy aggregate.

5.1.7 Deductibles and Self-Insured Retentions: Contractor shall declare to and obtain the approval of Owner for any deductibles or self-insured retentions. At the option of Owner, Contractor shall either cause the insurer to reduce or eliminate such deductibles or self-insured retentions with respect to Owner, its officers, officials, employees, and agents, or Contractor shall provide a financial guarantee satisfactory to Owner guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

5.1.8 Endorsement: Contractor shall endorse all insurance policies with the following provisions:

5.1.8.1 The County of Kings, its officers, officials, employees, and agents are to be covered as additional insured on the CGL and automobile liability policies with respect to liability arising out of the Work or operations performed by or on behalf of Contractor, including materials, parts, or equipment furnished in connection with such Work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of Contractor. General liability coverage can be provided in the form of an endorsement to Contractor's insurance in language at least as broad as ISO Form CG 20 10, 11 85, or both CG 20 10 and CG 23 37 forms if later revisions are used.

5.1.8.2 Contractor's insurance shall be the primary insurance for any claims related to the Work with respect to Owner, its officers, officials, employees, and agents. Any insurance maintained by Owner, its officers, officials, employees, or agents shall be in excess of Contractor's insurance and shall not contribute thereto.

5.1.8.3 Each insurance policy obtained as required herein shall provide that coverage shall not be reduced or canceled, except with a minimum of thirty (30) days written notice to Owner.

5.1.8.4 In the event the Work includes trenching or construction of a tunnel, Contractor shall ensure that an exclusion of loss arising from explosion, collapse, and underground shall be endorsed out of the insurance policy.

5.1.9 Acceptability of Insurers: Contractor shall obtain insurance from insurers with a current A.M. Best Rating of no less than A: VII, unless otherwise acceptable to Owner.

5.1.10 Waiver of Subrogation: Contractor hereby agrees to waive rights of subrogation. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. Contractor shall endorse his or her workers' compensation policy with a waiver of subrogation in favor of Owner for all Work performed by Contractor, its employees, agents, and Subcontractor.

5.1.11 Verification of Coverage: Contractor shall furnish Owner with original certificates and endorsements, or copies of the applicable insurance language, effecting coverage required by the Contract Documents. All certificates and endorsements are to be received and approved by Owner before the commencement of any Work. Owner's failure to obtain the required documents prior to the commencement of the Work shall not constitute a waiver of Contractor's obligation as provided herein. Owner reserves the right to require complete, certified copies of all required insurance policies, including endorsements, at any time.

5.1.12 Subcontractor: Contractor shall require and verify that all Subcontractors maintain insurance

coverage that meets or exceeds all of the requirements stated herein.

5.2 BONDS

5.2.1 General Requirements for Bonds: Before commencing any Work, Contractor shall file three (3) of each bond together with three (3) certified copies of said bonds with Owner. These bonds shall be in the amounts and for the purposes specified below. They shall be surety bonds and shall be issued by corporations duly and legally authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California. They shall be maintained by Contractor at his or her expense during the Contract Time or longer as provided.

5.2.2 Performance and Maintenance Bond(s): Contractor shall obtain a Performance bond in the amount of one hundred percent (100%) of the Contract Price which shall guarantee the faithful performance of the Work and insure Owner during the Contract Time. Contractor shall also obtain a Maintenance bond in the amount of one hundred percent (100%) of the Contract Price which shall be in full force and effect through the Guarantee Period. Both bonds shall insure against faulty or improper materials and/or workmanship.

5.2.3 Payment Bond: Contractor shall obtain a Payment bond in the amount of one hundred percent (100%) of the Contract Price which shall guarantee the payment in full of all claims for labor and materials in accordance with the provisions of the laws of the State of California.

5.2.4 Change of Surety: If at any time a surety on such bonds becomes irresponsible or loses its right to do business in the State of California, Owner may require another surety which Contractor shall furnish within ten (10) calendar days after receipt of written notice to do so. Evidence of authority of an attorney-in-fact acting for the corporate surety must be provided in the form of a certificate as to his or her power of attorney and to the effect that it is not terminated and remains in full force and effect on the date of the bonds. The form of the bonds shall be subject to approval by Owner.