

CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT

Pallet SPC
Contractor

Intergovernmental Project
Project Title

052-000-8800/50536-008-4800
Budget Account Number

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THIS CONTRACTUAL SERVICES AGREEMENT (Agreement) is entered into on OCTOBER 6, 2021, between the City of Chico, a municipal corporation under the laws of the State of California, (City) and **Pallet SPC**, a Washington social purpose corporation (Contractor).

SECTION 1 - DESCRIPTION OF PROJECT

City desires to undertake that certain project (Project) described in EXHIBIT A, entitled "Intergovernmental Project," and Contractor agrees to: (i) manufacture and sell to City temporary emergency shelters commonly known as "Pallet Shelters™" (the "Products"), as further described on Exhibit A; and (ii) provide City at its own cost and expense, all services and furnish all labor and materials necessary to complete in a good, professional and substantial manner, the contractual services indicated and described in SECTIONS 2 and 3, respectively (the "Services").

SECTION 2 - SCOPE OF CONTRACTUAL SERVICES - BASIC; PRODUCT TERMS

(a) Contractual Services. Contractor shall perform those basic contractual Services in connection with the Project as are set forth more particularly in EXHIBIT B, entitled "SCOPE OF CONTRACTUAL SERVICES - BASIC."

(b) Product Terms.

(i) The Products shall be delivered to the City at the location and on the date

of delivery as set forth in EXHIBIT A. Notwithstanding the foregoing, Contractor will notify the City of any delays that may affect the expected delivery date of the Products. If Contractor notifies City in accordance with these terms, Contractor shall be afforded at least ten (10) additional days to deliver the Products. Unless otherwise set forth in any EXHIBIT, Contractor shall be responsible for arranging for and coordinating the shipment of the Products to the City. Shipping dates, if any, set forth in the SOW are approximate only and merely represent Contractor's best estimate of the time required to make shipment of the Products.

(ii) Delivery; Risk of Loss. Delivery of the Products to City will be F.O.B. Contractor's factory, as set forth in EXHIBIT A. All Products will be prefabricated at Contractor's factory headquarters and shipped flat-packed in individual panels to the designated Project site. Contractor will not "drop ship" to any other location other than Project site. Unless otherwise instructed in writing by City, Contractor will have the sole and exclusive right to select the carrier for the shipment and delivery of the Products. Title and risk of loss to the Products purchased under this Agreement shall pass to City upon delivery thereof to the carrier, whether or not the Products conform to this Agreement or the EXHIBITS attached hereto. Contractor shall not be liable for any loss or expense incurred by City as a result of any delay in delivery for any reason other than arbitrary refusal of Contractor to perform. Contractor may deliver the Products in installments. If any shipment of Products is delayed at City's request, Contractor may invoice the City for such Products, and risk of loss to such products shall pass to City on the date Contractor is prepared to make shipment to the City.

(iii) Inspection; No Refunds. Upon receipt of the Products, City shall inspect all Products promptly upon receipt thereof at the Project site and may reject any Products in accordance with this Section 2(b)(iii) which fail in any significant, material respect to meet Contractor's current acceptance specifications. Unless a written claim (a "**Rejection Notice**") that a Product is defective is made and delivered to the Contractor within ten (10) days from the date of delivery of the Products, the City agrees that it shall have knowingly, irrevocably and unconditionally accepted the Products as-delivered, as-is and with all faults and defects. Such Rejection Notice must specify in detail: (i) the total amount of Products that are alleged to be defective; and (ii) the specific details of the alleged defects, including specific defective parts; and (iii) whether the alleged defects breach any express warranty of Contractor. As promptly as possible, but not later than ten (10) days after receipt by Contractor of City's Rejection Notice, Contractor shall, at its option and expense, notify City of its election to either repair or replace said properly rejected Products and shall prepay transportation charges for any shipment of replacement Products back to City; provided, however, no refunds shall be given for any defective Products.

SECTION 3 - SCOPE OF CONTRACTUAL SERVICES – ADDITIONAL; LIMITED WARRANTY

(a) **Additional Services.** City and Contractor agree that it may be necessary for Contractor to perform or secure the performance of related Services other than those set forth herein. In such instance, Contractor shall advise City, in advance and in writing, of the need for such additional services, their cost and the estimated time (if appropriate) required to perform them. Contractor shall not proceed to perform any such additional service until City has determined that such service is beyond the scope of the basic Services to be provided by Contractor

and has given its written authorization to perform or obtain it. Each additional service so authorized shall constitute an amendment to this Agreement, shall be identified and sequentially numbered as "Amendment No. 1" and so forth, shall be subject to all of the provisions of this Agreement, and shall be incorporated into EXHIBIT B, accordingly.

(b) Limited Warranty. Contractor agrees to warrant all Products in accordance with the terms of its standard limited warranty (the "Limited Warranty") for each Product, the current form of which is attached hereto as EXHIBIT E. In the event the Products fail to comply with Contractor's Limited Warranty and City timely reports such failure in accordance with this Agreement, Contractor's sole obligation to City shall be limited to the repair or replacement, at Contractor's sole and exclusive option, in accordance with Section 2(b)(iii).

SECTION 4 – COMPENSATION

(a) Product Compensation. As consideration for the sale of the Products, City shall pay to Contractor the total Purchase Price for the Products as set forth on EXHIBIT C. Contractor shall submit invoices to City for the applicable Purchase Price of the Products in accordance with Section 4(b), below. The Purchase Price is exclusive of any sales, use or privilege tax, personal property taxes, excise tax based on gross revenue or any similar tax or charge that might be levied as a result of the production, sale or shipment of any Products or the use of the Products by City (the "Taxes"). City agrees to pay and otherwise be fully responsible for any and all such Taxes. Contractor shall have the option, but not the obligation, to pay any such Taxes directly, in which event City shall promptly reimburse Contractor in the amount thereof upon presentation by Contractor to City of evidence of payment.

(b) Services Compensation. Contractor shall be compensated for Services rendered to City pursuant to this Agreement periodically at the rate as set forth in EXHIBIT C, entitled "COMPENSATION," and in accordance with all other applicable provisions of this Agreement. Amounts due to Contractor from City for Services rendered shall be evidenced by the submission to City by Contractor of an invoice, prepared in a form satisfactory to City, setting forth the amount of compensation due for the period covered by it. Each such invoice shall be forwarded to City so as to reach it on or before the 15th day of the month next following the month or months, or other applicable period, for which the contractual services invoiced were provided. City will make payment on each such invoice within 45 days of receipt of it. However, if Contractor submits an invoice which is incorrect, incomplete or not in accord with the provisions of this Agreement, then City shall not be obligated to process any payment to Contractor until a correct and complying invoice has been submitted.

SECTION 5 - RESPONSIBILITY OF CONTRACTOR; NO OTHER WARRANTIES

(a) Responsibility. By executing this Agreement, Contractor warrants to City that Contractor possesses, or will arrange to secure from others, all of the necessary professional capabilities, experience, resources and facilities necessary to provide to City the professional services contemplated under this Agreement. In procuring the professional services of others to assist Contractor in performing the professional services set forth at EXHIBIT B or additional professional services under SECTION 3 of this Agreement, Contractor shall not employ or otherwise obtain the professional services of any person or entity known to Contractor or City to

have, or be likely to develop during the term of this Agreement, an interest that is personally, or professionally, or financially adverse to any interest of City. Contractor further warrants that Contractor will follow the current, generally accepted professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this Project for which professional services are rendered under this Agreement. Notwithstanding the foregoing, the Contractor shall have no obligation to procure licenses, permits, certificates or otherwise in connection with the delivery of the Products or the performance of Services hereunder, and Contractor makes no representations or warranties regarding the permits, licenses, certificates or otherwise needed for the Project, the Services or the City's installation, operation, or use of the Products.

(b) No Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, CONTRACTOR HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, WHETHER WRITTEN, ORAL, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, EITHER IN FACT OR BY OPERATION OF LAW, CONCERNING ANY PRODUCT OR ANY SERVICES PROVIDED BY CONTRACTOR AND ANY OTHER TECHNICAL INFORMATION, TECHNIQUES, MATERIALS, METHODS, PRODUCTS, PROCESSES, OR PRACTICES AT ANY TIME MADE AVAILABLE BY CONTRACTOR, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND WARRANTIES ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE, OR TRADE PRACTICE.

(c) Limitation of Liability. TO THE FURTHEST EXTENT PERMITTED BY APPLICABLE LAW, CONTRACTOR WILL NOT BE LIABLE TO CITY OR ANY OTHER PERSON FOR ANY INJURY TO OR LOSS OF GOODWILL, BUSINESS, OR OPPORTUNITIES (REGARDLESS OF HOW THESE ARE CLASSIFIED AS DAMAGES), OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, PUNITIVE, OR ENHANCED DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE (INCLUDING THE ENTRY INTO, PERFORMANCE, OR BREACH OF THESE TERMS), REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR THE PARTY AGAINST WHOM SUCH LIABILITY IS CLAIMED HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

SECTION 6 - RESPONSIBILITY OF CITY

To the extent appropriate to the Services contemplated by this Agreement, City shall:

- 6.1** Guarantee access to and make all provisions for Contractor to enter upon City property as required for Contractor to perform Contractor's Services. In connection therewith, City shall fully cooperate with Contractor in its delivery of the Products and performance of the Services, and provide to Contractor true, complete and correct copies of all reasonably requested documentation or information reasonably necessary, desirable or required by Contractor in connection with the delivery of the Products and performance of the Services.

- 6.2** Designate in writing a person(s) to act as City's representative with respect to the Services to be performed under this Agreement. Such person(s) shall have complete authority to transmit instructions, receive information, interpret, and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Contractor's Services.
- 6.3** Give prompt written notice to Contractor whenever City observes or otherwise becomes aware of any defect in the Services.
- 6.4** While Contractor will provide the Products and Services set forth herein, City shall be solely and exclusively responsible and liable for: (i) ensuring that the installation, preparation, operation, use, and occupancy of the Products, and all transactions, documents and operations in connection with this Agreement delivered by the City, including, without limitation, all operations at the Project site, are in compliance with all applicable laws, rules, regulations, orders and codes, including, without limitation, any applicable local, municipal, state or federal building codes; (ii) procuring all applicable permits, certifications, licenses and approvals necessary under all applicable laws for the operation, occupancy and use of all Products at the Project site; and (iii) maintaining the Products and the safety of the Product's users and the Project site after the completion of the Services.

SECTION 7 - INDEMNIFICATION

(a) Contractor Indemnification of City. To the fullest extent permitted by applicable law, Contractor shall defend (with counsel of City's choosing), indemnify and hold City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the services provided under this Agreement, including expert witness fees and attorneys' fees and other related costs and expenses. Contractor shall reimburse City and its officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by City, its directors, officials, officers, employees, agents, or volunteers. Contractor's obligation to indemnify, defend and hold harmless the City, its officers, employees and agents for claims involving "Professional Liability" claims involving acts, errors or omissions in the rendering of professional services (as defined in Civil Code section 2782.8(2), specifically, architects (Business & Professions Code section 5500), landscape architects (Business & Professions Code section 5615), professional engineers (Business & Professions Code section 6701), and professional land surveyors (Business & Professions Code section 8701)), shall be limited to the extent caused by City's negligent acts, errors or omissions.

(b) City Indemnification of Contractor. To the fullest extent permitted by law, City shall defend (with counsel of Contractor's choosing), indemnify and hold Contractor, its officials, officers, directors, employees, volunteers, contractors, successors, assigns, and agents (collectively, "Contractor Parties") free and harmless from and against any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including, without limitation, wrongful death, in any manner arising out of, pertaining to, related to, or incident to any alleged violation of applicable law by, or acts, errors or omissions, or willful misconduct of, City, its officials, officers, employees, subcontractors, consultants or agents in connection with the services provided under this Agreement, including expert witness fees and attorneys' fees and other related costs and expenses. Contractor shall reimburse City and its officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

Contractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement, if any. City's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or any Contractor Party. Contractor's obligation to indemnify, defend and hold harmless the City, its officers, employees and agents for claims involving "Professional Liability" claims involving acts, errors or omissions in the rendering of professional services (as defined in Civil Code section 2782.8(2), specifically, architects (Business & Professions Code section 5500), landscape architects (Business & Professions Code section 5615), professional engineers (Business & Professions Code section 6701), and professional land surveyors (Business & Professions Code section 8701)), shall be limited to the extent caused by Contractor's negligent acts, errors or omissions.

In the event of any litigation between the parties hereto arising out of this Agreement or the Services provided hereto, the prevailing party shall be allowed all reasonable attorneys' fees, court costs and expenses incurred in such litigation, including all such expenses incurred on appeal, together with all reasonable costs and disbursements necessary to enforce this Agreement.

SECTION 8 - INSURANCE PROVISIONS

Any requirements by City that Contractor carry general liability or any other type of insurance in connection with the services to be performed and/or contractual services to be rendered by Contractor pursuant to this Agreement shall be as set forth in EXHIBIT D, entitled "INSURANCE PROVISIONS."

SECTION 9 - GENERAL PROVISIONS

9.1 Access to Records

Contractor shall maintain all books, records, documents, accounting ledgers and similar

materials relating to services performed for City under this Agreement on file for at least four years following the date of final payment to Contractor by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit and copying at reasonable times during Contractor's usual and customary business hours. Contractor shall provide proper facilities to City's representative(s) for such access and inspection. Contractor shall be entitled to reasonable compensation for time and expenses related to such access and inspection activities, which shall be considered to be an additional service to City, falling under the provisions of SECTION 3 hereinabove.

9.2 Assignment

Subject to Section 9.13, below, This Agreement is binding on the heirs, successors and assigns of the parties hereto and shall not be assigned by either City or Contractor without the prior written consent of the other.

9.3 Changes to Scope of Services - Basic Contractual Services

City may at any time, upon a minimum of 15 days written notice, modify the scope of basic Services to be provided under this Agreement. Contractor shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Contractor as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of an amendment by City and Contractor shall constitute the Contractor's notice to proceed with the changed scope.

9.4 Compliance with Laws, Rules, Regulations

Contractor shall use its commercially reasonable, good faith best efforts to perform the Services in accordance and full compliance with all applicable Federal, State, or City statutes and any rules or regulations promulgated thereunder.

9.5 Exhibits Incorporated

All Exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference.

9.6 Independent Contractor

City and Contractor agree that the relationship between them created by this Agreement is that of an employer-independent contractor. Contractor shall be solely responsible for the conduct and control of the Services performed under this Agreement. Contractor shall be free to render services to others during the term of this Agreement, so long as such activities do not interfere with or diminish Contractor's ability to fulfill the obligations established herein to City.

9.7 Permits and Licenses

City shall procure all permits and licenses applicable to the Project and Services and shall

pay all charges and fees and give all notices necessary and incidental to the due and lawful prosecution of the Services.

9.8 Patents

Contractor shall assume all responsibilities arising from the use of patented materials, equipment, devices or processes used on or incorporated in the Services.

9.9 Integration; Amendment

This Agreement represents the entire understanding of City and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in it. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

9.10 Control of Services - Direction

City representative(s) designated pursuant to Subsection 6.2 of this Agreement shall decide all questions which may arise as to the quality or acceptability of materials furnished and services performed and as to the manner of performance and rate of progress of the services, all questions which arise as to the interpretation of the specifications, all questions as to the acceptable fulfillment of this Agreement on the part of the Contractor and all questions as to claims and compensation.

9.11 Interpretation of Specifications

Should it appear that the Services to be done or any matter relative thereto is not sufficiently detailed or explained in any specifications, special provisions, and/or related documents, Contractor shall apply to the City for such further explanations as may be necessary and shall conform to such explanations or interpretations as part of this Agreement, so far as may be consistent with their original intent.

9.12 Notice to Proceed; Progress; Completion

Upon execution of this Agreement by the parties, City shall give Contractor notice to proceed with the delivery of the Products and providing the Services. Such notice may authorize Contractor to render all of the Services contemplated herein, or such portions or phases as may be mutually agreed upon. In the latter event, City shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the Services. Upon receipt of such notices, Contractor shall diligently proceed with the services as authorized.

9.13 Subcontracts

Contractor shall be entitled, to the extent determined appropriate by Contractor, to subcontract any portion of the Services to be performed under this Agreement. Contractor shall be responsible to City for the actions of persons and firms performing subcontract services. The subcontracting of Services by Contractor shall not relieve Contractor, in any manner, of the

obligations and requirements imposed upon Contractor by this Agreement.

9.14 Term; Termination

The term of this Agreement shall commence upon City's issuance to Contractor of a notice to proceed for all or a portion of the contractual services, as hereinabove provided, and terminate 12 months from the date of such notice to proceed. This Agreement may be extended for two additional periods of 12 months, upon execution of an amendment by the City and Contractor providing therefor.

For each succeeding 12-month term of this Agreement, Contractor may request City to adjust the compensation rate(s) for such Services during such term. Contractor's request for such an adjustment shall be filed with City no later than January 15, and shall be accompanied by such documentation, including, but not limited to, financial reports and records, operational cost data, and the like, as may be required by City to enable it to satisfactorily evaluate and make a determination upon it. Nothing hereinabove, however, shall require City to make any adjustment therefor in response to Contractor's request. Further, in no event shall any such adjustment exceed an amount equal to 75 percent of the increase in the Consumer Price Index for All Urban Consumers (CPI-U) - U.S. City Average - as published by the Bureau of Labor Statistics, U.S. Department of Labor, for the most recent available previous 12-month period. As an example, if such Index increased 10 percent for a preceding 12-month period, an annual adjustment could not exceed 7.5 percent regardless of whether or not the Contractor's documented costs exceed 7.5 percent.

Notwithstanding the foregoing, either party may, in its sole discretion, terminate this Agreement at any time and for any reason whatsoever by giving at least sixty (60) days prior written notice of such termination to the other party. In this latter event, Contractor shall be entitled to compensation for all Products manufactured and Services rendered and Services performed for City to the date of such termination.

9.15 Notice

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service or, alternatively, by personal delivery or overnight courier service addressed to the parties as follows:

To City:	City Manager City of Chico P. O. Box 3420 Chico, CA 95927-3420	-or-	City Manager City of Chico 411 Main Street Chico, CA 95928
To Contractor:	Pallet SPC Attn: Amy King 1930 Merrill Creek Pkwy, Suite A Everett, WA 98203		

9.16 Force Majeure.

A Party (referred to in this Section as a "**Force Majeure Party**") shall be excused from the performance of its applicable obligation(s) under this Agreement (other than the payment of any monies owed to the other Party, including, without limitation, any Purchase Price or fees for Services) to the extent that such performance is made commercially impracticable, illegal, or impossible by an event of Force Majeure that is beyond the Force Majeure Party's reasonable control, and the Force Majeure Party provides written notice of the prevention within ten (10) business days of the occurrence of the Force Majeure event to the other Party (including details of the Force Majeure event, its anticipated duration and any action being taken to avoid or minimize its effect) and uses commercially reasonable efforts to avoid the effects of such Force Majeure and to perform the affected obligation(s) to the extent reasonably possible. Such excuse of performance shall be continued for so long as the condition constituting Force Majeure continues and the Force Majeure Party takes reasonable efforts to remove the condition or otherwise perform the affected obligation(s). For purposes of these Terms, "**Force Majeure**" shall mean only acts of God, strikes, civil disturbances, fires, earthquakes, governmental order or proclamation, supply chain interruption (to the extent such interruption is not caused by the negligence of such Party), acts of terrorism, floods, explosions, riots, war, rebellion, sabotage or failure or default of public utilities or common carriers. For clarity, notwithstanding the existence of a Force Majeure impacting a Party's performance hereunder, such Force Majeure Party shall continue performing all of its other obligations hereunder, and the other Party shall be excused from performing such of its obligations under these Terms that it cannot reasonably perform due to the non-performance by the Force Majeure Party due to such Force Majeure, until such Force Majeure Party completes performance of such obligations that are prevented by such Force Majeure.

SECTION 10 - SPECIAL PROVISIONS

This Agreement shall include all special provisions, if any, as are set forth on EXHIBIT E, entitled "SPECIAL PROVISIONS."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set forth above.

CITY:


 Mark Orme, City Manager*

*Authorized pursuant to Section 3.08.060
 of the Chico Municipal Code

CONTRACTOR:


 By: Amy King, CEO

APPROVED AS TO FORM:


 Vincent C. Ewing, City Attorney*

*Pursuant to The Charter of the
 City of Chico, Section 906(D)

APPROVED AS TO CONTENT:


 Scott Dowell, Administrative Services
 Director

CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT

Pallet, SPC
Contractor

Intergovernmental Project
Project Title

052-000-8800/50536-008-4800

Budget Account No.

EXHIBIT A

DESCRIPTION OF PROJECT

Manufacturing, shipping and onsite assembly of (177) 64 SQF temporary Pallet shelters (the "Products") and related Product accessories.

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EXHIBIT B

SCOPE OF CONTRACTUAL SERVICES - BASIC

Scope of Contractual Services - Basic

The Contractor shall provide contractual services as follows:

Shipping and onsite assembly of Products and related Product accessories in City's desired location. The assembly of the Products excludes site grading, leveling of Products, electrical or plumbing connections, and staking of Products to ground.

Services to be Provided by City

1. 3,000 lbs. forklift with minimum 6 foot forks for the duration of the build
2. Access to bathrooms for the duration of the build
3. Fencing around the build site
4. Dumpster on build site
5. Procuring all permits, licenses, approvals and certificates for the Project site, the performance of Services at the Project site, and City's use of the Products.
6. Maintaining the Products and the safety of the Product's users and the Project site after the completion of the Services.

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EXHIBIT C

COMPENSATION

Total maximum compensation for the services outlined in this Agreement, shall not exceed \$1,680,193.23.

1. Payment terms

- a. 25% of the total cost (\$420,048.31) upon receipt of a signed agreement.
- b. Additional 25% of the total cost (\$420,048.31) on or before 10/20/21.
- c. Remaining balance due upon shipment of Products (1/3/22) - \$840,096.61
 - i.

Product	Sales Price	Quantity	Total Price
Shelter 64 SQF 5" Insulated	\$5,495.00	177.00	\$972,615.00
120v Electrical Kit w/ 1500w Heater	\$999.00	177.00	\$176,823.00
Air Conditioner and Install Kit - Shelter 64	\$349.00	177.00	\$61,773.00
Custom Fit Mattress Pad	\$249.00	354.00	\$88,146.00
Folding Bunk Bed	\$299.00	354.00	\$105,846.00
Assembly Services	\$800.00	177.00	\$141,600.00
Subtotal	\$1,540,000.00		
Tax	\$105,846.23		
Shipping and Handling	\$28,600.00		
Grand Total	\$1,680,193.23		

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EXHIBIT D

INSURANCE PROVISIONS

General Liability Insurance

Consultant/Contractor shall obtain commercial general liability insurance (occurrence policy form) from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better or, in the alternative, an unlicensed U.S. domiciled company or companies with an "A" rating, which provides coverage for bodily injury, personal injury and property damage liability in the amount of at least \$1,000,000 per occurrence, and \$2,000,000 in the aggregate, with a maximum policy deductible of \$5,000, or as approved by the City's Human Resources and Risk Management Office.

It shall be a requirement under this agreement that any available insurance proceeds broader than or in excess of the specific minimum Insurance coverage requirements and/or limits shall be available to the Additional Insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any Insurance policy or proceeds available to the named Insured, whichever is greater.

The insurance coverage required herein shall be evidenced by a certificate of insurance with policy endorsements and shall be executed by an authorized official of the insurer(s). In addition to the limits of coverage described above, the certificate of insurance shall provide that the insurer shall provide to City at least 30 days prior notice of cancellation or material change in coverage, or 10 days prior notice of cancellation for non-payment.

Consultant/Contractor acknowledges and agrees that City of Chico, its officers, boards and commissions, and members thereof, its employees and agents, are covered as additional insureds with respect to any liability arising out of the activities of Consultant/Contractor as the named insured. Such additional insured status shall be evidenced by a policy endorsement executed by an authorized official of the insurer(s). A blanket endorsement which provides additional insured status to any person or organization with whom Consultant/Contractor, as named insured, has entered into a written contract, such as this Agreement, shall satisfy this

requirement.

The insurance coverage required herein shall be primary and non-contributory insurance with respect to the City of Chico, its officers, officials and employees. Any insurance or self-insurance maintained by the City of Chico, its officers, officials or employees shall be in excess of the insurance afforded to the named insured by the insurance coverage required herein and shall not contribute to any loss. Such primary insurance status shall be evidenced by a policy endorsement issued by an authorized official of the insurer(s), and shall be at least as broad as CG 20 01 04 13. In the alternative, a letter issued by an authorized official of the insurer(s) and copies of the pertinent page(s) of the policy shall satisfy this requirement.

The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess Insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City of Chico (if agreed to in a written contract or agreement) before City of Chico's self-insurance shall be called upon to protect it as a named insured.

All self-insured retentions (SIR) must be disclosed to the City's Human Resources and Risk Management Office for approval and shall not reduce the limits of liability. Policies containing any (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Insured or City of Chico. City of Chico reserves the right to obtain a full certified copy of any Insurance policy or endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Automobile Liability Insurance

Consultant/Contractor shall obtain automobile liability insurance from one or more U.S. domiciled insurance companies licensed to do business in the State of California with an A.M. Best Company rating of "B" or better which provides coverage for bodily injury, personal injury, and property damage liability in the amount of at least \$500,000 combined single limit for each occurrence. Evidence of such coverage shall be maintained by Consultant/Contractor and provided to City upon request.

Subconsultant/Subcontractor Insurance

Consultant/Contractor agrees to include with all subconsultants/subcontractors in their subcontract the same requirements and provisions of this agreement including the indemnity and Insurance requirements to the extent they apply to the scope of the subconsultant/subcontractor's work. Subconsultant/Subcontractor agrees to be bound to Consultant/Contractor and City of Chico in the same manner and to the same extent as Consultant/Contractor is bound to City of Chico under the agreement. Subconsultant/Subcontractor further agrees to include the same requirements and provisions of this agreement, including the indemnity and Insurance requirements, with any Sub-subconsultant/Sub-subcontractor to the extent they apply to the scope of the Sub-subconsultant/Sub-subcontractor's work.

A copy of the City of Chico Insurance Provisions will be furnished to the subconsultant/subcontractor upon request. Evidence of such coverage shall be maintained by

Consultant/Contractor and provided to City upon request.

Workers' Compensation Insurance

Consultant/Contractor shall, at Consultant/Contractor's expense, purchase and maintain in full force and effect workers' compensation insurance as required by Federal and State of California law. Consultant/Contractor shall also require all of Consultant's subconsultants/subcontractors to maintain this insurance coverage. Proof of workers' compensation insurance or other documentation acceptable to City evidencing such insurance coverage shall be provided by Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors to City upon request.

Subrogation

Consultant/Contractor shall agree to waive all rights of subrogation against City for losses arising from Services performed by the Consultant/Contractor or Consultant/Contractor's subconsultants/subcontractors for City under this Agreement.

Indemnity

Consultant/Contractor/Subconsultant/Subcontractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this agreement for the full period of time allowed by law.

The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this agreement.

CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT

Pallet, SPC

Contractor

Intergovernmental Project

Project Title

052-000-8800

Budget Account No.

EXHIBIT E

SPECIAL PROVISIONS

None.