

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

**Oroville Southside Community Improvement Association**  
Contractor

**Intergovernmental Project**  
Project Title

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

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**THIS CONTRACTUAL SERVICES AGREEMENT** (Agreement) is entered into on March 8, 2022 between the City of Chico, a municipal corporation under the laws of the State of California, (City) and Oroville Southside Community Improvement Association, a California corporation, (Contractor).

**SECTION 1 - DESCRIPTION OF PROJECT**

City desires to undertake that certain project (Project) described in EXHIBIT A, entitled “DESCRIPTION OF PROJECT,” and Contractor agrees to 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.

**SECTION 2 - SCOPE OF CONTRACTUAL SERVICES - BASIC**

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.”

**SECTION 3 - SCOPE OF CONTRACTUAL SERVICES - ADDITIONAL**

City and Contractor agree that it may be necessary for Contractor to perform or secure the performance of related contractual 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 contractual 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 contractual 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.

#### **SECTION 4 - COMPENSATION**

Contractor shall be compensated for contractual 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 contractual 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**

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 best 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.

#### **SECTION 6 - RESPONSIBILITY OF CITY**

To the extent appropriate to the contractual 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 contractual 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 contractual services.
- 6.3** Give prompt written notice to Contractor whenever City observes or otherwise becomes aware of any defect in the contractual services.

## **SECTION 7 - INDEMNIFICATION**

To the fullest extent permitted by 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 without limitation the payment of all consequential damages, 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 Contractor's negligent acts, errors or omissions.

## **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**

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 10 days written notice, modify the scope of basic contractual 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**

All contractual services performed by Contractor pursuant to this Agreement shall be performed 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 contractual 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**

Contractor shall procure all permits and licenses, 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. In the event of doubt or question relative to the true meaning of the specifications, reference shall be made to the City's representative(s), whose decision thereon shall be final.

**9.12 Notice to Proceed; Progress; Completion**

Upon execution of this Agreement by the parties, City shall give Contractor notice to proceed with the services. Such notice may authorize Contractor to render all of the contractual 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 on June 30, 2023. 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) 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, City may, in its sole discretion, terminate this Agreement at any time and for any reason whatsoever by giving at least 10 days prior written notice of such termination to Contractor. In this latter event, Contractor shall be entitled to compensation for all service rendered and services performed for City to the date of such termination. The Contractor may also terminate the contract by giving 30 days notice to the City.

**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         | -or- | City Manager    |
|          | City of Chico        |      | City of Chico   |
|          | P. O. Box 3420       |      | 411 Main Street |
|          | Chico, CA 95927-3420 |      | Chico, CA 95928 |

To Contractor: Oroville Southside Community Improvement Association, Inc.  
2959 Lower Wyandotte Road  
Oroville, CA 95966

**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\*

CONTRACTOR:

  
\_\_\_\_\_  
By: Kevin Thompson, Director

\*Authorized pursuant to Section 3.08.060  
of the Chico Municipal Code

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Vincent C. Ewing, City Attorney\*

REVIEWED AS TO CONTENT:

  
\_\_\_\_\_  
Scott Dowell, Administrative Services  
Director

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

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**Oroville Southside Community Improvement Association**  
Contractor

**Intergovernmental Project**  
Project Title

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

**EXHIBIT A**

**DESCRIPTION OF PROJECT**

Contractor shall provide shower and laundry services at the Pallet Shelter Site "Site" located at 2352 Martin Luther King Jr. Parkway, Chico, California for up to a maximum of 354 people.



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## EXHIBIT B

### SCOPE OF CONTRACTUAL SERVICES - BASIC

#### Scope of Contractual Services - Basic

##### A) Shower Services

Contractor shall provide up to two units consisting of six (6) shower stalls and six (6) toilets to be located at 2352 Martin Luther King Jr. Parkway, Chico, California (Site). Contractor shall be responsible for deployment of the shower unit to the Site, as well as demobilization.

Contractor shall oversee all shower services at the Site, Monday through Friday for eight (8) hours each day to ensure each resident has the ability to receive a minimum of one (1) shower per week for a maximum of up to 354 people. Contractor understands the number of days/hours may change depending on the number of individuals living at the Site at any given time and will work with the Site Operator to develop a schedule. Contractor shall provide onsite personnel to manage showers while in use and will also provide clean towels, soap, paper goods and cleaning supplies. Contractor will ensure showers and toilets are cleaned and sanitized regularly. Contractor shall be responsible to coordinate water filling and gray water disposal at the site. Contractor shall be solely responsible for maintenance and upkeep of the shower facilities. Any damage to the units when not in use shall be the sole responsibility of the contractor. Contractor shall move the unit when not in use to a location on the Site determined by the Site Operator and the City.

##### B) Laundry Services

Contractor shall provide a unit equipped with ten (10) washers and (10) dryers, for laundry services to be located at the Site. Contractor shall be responsible for deployment of the laundry units to the Site, as well as demobilization.

Contractor shall oversee all laundry services at the Site two (2) days a week, up to eight (8) hours per day to ensure all residents on the Site has the ability to wash a minimum of one (1) load of laundry per week. Contractor understands the number of days/hours may change depending on

the number of individuals living at the Site at any given time and will work with the Site Operator to develop a schedule. Contractor shall provide onsite personnel to manage and clean laundry units and will also provide laundry soap, bags, bleach and cleaning supplies. Contractor shall be responsible to coordinate water filling and gray water disposal at the site. Contractor shall be solely responsible for maintenance and upkeep of the laundry facilities. Any damage to the units when not in use shall be the sole responsibility of the contractor. Contractor shall move the unit when not in use to a location on the Site determined by the Site Operator and the City.

Services to be Provided by City

The City shall provide fresh water, gray water disposal and electricity at the Site.

Completion Schedule

Contractor to provide services as outlined in this agreement at the Site beginning on March 1, 2022 through June 30, 2023.

**CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT**

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EXHIBIT C

COMPENSATION

Laundry and shower services to begin at the Site on March 1, 2022 and will continue through June 30, 2023. Costs for laundry and shower services included within Exhibit B shall be \$28,235.88 per month. Compensation shall be based upon actual invoices billed at the end of each month beginning on March 31, 2022. Services beginning after March 1, 2022 will be prorated to reflect the days where services were actually provided.

Total maximum compensation for the services outlined in this Agreement, shall not exceed \$451,774.08.

# CITY OF CHICO - CONTRACTUAL SERVICES AGREEMENT

## Oroville Southside Community Improvement Association

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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.

#### 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.

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EXHIBIT E

SPECIAL PROVISIONS

Work shall be performed per the requirements of the Settlement Agreement (Attachment A).

In the event of severe weather conditions or a natural disaster, where it would be unsafe to operationalize the units, Consultant will not be liable for providing services until it is reasonably safe to resume services.

Consultant will observe all major holidays to include Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and Christmas.