

CITY OF SIGNAL HILL

PROFESSIONAL CONSULTANT SERVICES AGREEMENT

1. PARTIES AND DATE.

This Agreement is made and entered into this 9th day of June, 2026, by and between the City of Signal Hill, a municipal corporation, organized under the laws of the State of California, with its principal place of business at 2175 Cherry Avenue, Signal Hill, CA 90755 ("City") and Gradford Incorporated, a California Corporation, with its principal place of business at 28981 Alessandro Blvd. Ste 6111, Moreno Valley, CA 92555 ("Consultant"). City and Consultant are sometimes individually referred to herein as "Party" and collectively as "Parties."

2. RECITALS.

2.1 Consultant.

Consultant desires to perform and assume responsibility for the provision of certain professional on-call inspection and consulting services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional on-call inspection and consulting services to public clients, is licensed in the State of California, and is familiar with the plans of City.

2.2 Project.

City desires to engage Consultant to render such professional inspection and consulting services for the **On-Call Water Inspections Services** ("Project") as set forth in this Agreement.

3. TERMS.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional on-call inspection and consulting services necessary for the Project ("Services"). The Services are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations. Additionally, Consultant shall comply with all Federal requirements applicable to the Services as set forth in Exhibit "A-I.]"

3.1.2 Term. The term of this Agreement shall be from July 1, 2026 to June 30, 2029, unless earlier terminated as provided herein. The City shall have the unilateral option, at its sole discretion, to renew this Agreement automatically for no more than three, additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Consultant.

3.2.1 Independent Contractor; Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, nor any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

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

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: Tamid Gradford, President.

3.2.5 City's Representative. The City hereby designates Thomas Bekele, Public Works Director and/or Contracts Manager or his/her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant but not the authority to enlarge the Scope of Work or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Work or change the Consultant's total compensation subject to the provisions contained in Section 3.3 of this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.2.6 Consultant's Representative. Consultant hereby designates Tamid Gradford, President, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers,

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employees, agents, and volunteers free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions, where applicable, shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.11 Insurance. Consultant agrees to procure and maintain, at Consultant's expense all insurance specified in Exhibit "D" attached hereto and by this reference incorporated herein. Consultant shall require all subconsultants to carry the same policies and limits of insurance that the Consultant is required to maintain, unless otherwise approved in writing by the City.

3.2.12 Water Quality Management and Compliance.

3.2.12.1 Storm Water Management. Storm, surface, nuisance, or other waters may be encountered at various times during the Services. Consultant hereby acknowledges that it has investigated the risk arising from such waters, and assumes any and all risks and liabilities arising therefrom.

3.2.12.2 Compliance with Water Quality Laws, Ordinances and Regulations. Consultant shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Services including, without limitation, all applicable provisions of the City's ordinances regulating water quality and storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251, *et seq.*); the California Porter-Cologne Water Quality Control Act (Water Code § 13000 *et seq.*); and any and all regulations, policies, or permits issued pursuant to any such authority. Consultant must additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local agency with jurisdiction over the location where the Services are to be conducted, regulating water quality and storm water discharges.

3.2.12.3 Not used.

3.2.12.4 Standard of Care. Consultant warrants that all employees and subcontractors shall have sufficient skill and experience to perform the work assigned to them without impacting water quality in violation of the laws, regulations and policies described in Sections 3.2.12.2 and 3.2.12.3 of this Agreement. Consultant further warrants that it, its employees and subcontractors have or will receive adequate training, as determined by the City, regarding these requirements as they may relate to the Services.

3.2.12.5 Liability for Non-compliance.

(A) **Indemnity:** Failure to comply with laws, regulations, and ordinances listed in Sections 3.2.12.2 and 3.2.12.3 of this Agreement is a violation of federal and state law. Notwithstanding any other indemnity contained in this Agreement, Consultant agrees to indemnify and hold harmless the City, its officials, officers, agents, employees and authorized volunteers from and against any and all claims, demands, losses or liabilities of any kind or nature which the City, its officials, officers, agents, employees and authorized volunteers may sustain or incur for noncompliance with the laws, regulations, and ordinances listed above, arising out of or in connection with the Services, except for liability resulting from the sole established negligence, willful misconduct or active negligence of the City, its officials, officers, agents, employees or authorized volunteers.

(B) **Defense:** City reserves the right to defend any enforcement action or civil action brought against the City for Consultant's failure to comply with any applicable water quality law, regulation, or policy. Consultant hereby agrees to be bound by, and to reimburse the City for the costs associated with, any settlement reached between the City and the relevant enforcement entity.

(C) **Damages:** City may seek damages from Consultant for delay in completing the Services caused by Consultant's failure to comply with the laws, regulations and policies described in Sections 3.2.12.2 and 3.2.12.3 of this Agreement, or any other relevant water quality law, regulation, or policy.

3.3 Fees and Payments.

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed Three Hundred Fifty Thousand Dollars (\$350,000) without written approval of the City Council or City Manager as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly invoice which indicates work completed and hours of Services rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges thereon. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "C" of this Agreement.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization

from the City.

3.3.5 Rate Increases. In the event that this Agreement is renewed pursuant to Section 3.1.2, the rate set forth in Exhibit "C" may be adjusted each year at the time of renewal as set forth in Exhibit "C."

3.4 Labor Code Requirements.

3.4.1 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4.2 Registration. If the Services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

3.5 Accounting Records.

3.5.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.6 General Provisions.

3.6.1 Termination of Agreement.

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

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

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

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

Consultant: Gradford Incorporated
28981 Alessandro Blvd. Ste 6111
Moreno Valley, CA 92555
ATTN: Tamid Gradford, President.

City: City of Signal Hill
2175 Cherry Avenue
Signal Hill, CA 90755
ATTN: Gabino Luna, Public Works Director

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

3.6.2 Ownership of Materials and Confidentiality.

3.6.2.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which

were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

3.6.2.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.6.2.3 Confidential Information. The City shall refrain from releasing Consultant's proprietary information ("Proprietary Information") unless the City's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the Release Notice to give City written notice of Consultant's objection to the City's release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Consultant fails to fully indemnify, defend (with City's choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.6.3 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.6.4 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.6.5 Indemnification.

To the fullest extent permitted by law, Consultant shall defend (with counsel of City's choosing), indemnify and hold the 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, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project

or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Consultant or the City, its officials, officers, employees, agents or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

3.6.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

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

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

3.6.9 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.6.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.6.11 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.6.12 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

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

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

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

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

3.6.17 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.6.18 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

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

3.6.20 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

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

3.7 Subcontracting.

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

CITY OF SIGNAL HILL

GRADFORD INCORPORATED

By: _____
Carlo Tomaino
City Manager

By: _____
[INSERT NAME AND TITLE]
[If Corporation, TWO SIGNATURES,
President **OR** Vice President **AND**
Secretary **OR** Treasurer **REQUIRED**]

ATTEST:

By: _____
[INSERT NAME AND TITLE]

By: _____
Daritza Gonzalez
City Clerk

APPROVED AS TO FORM:

By: _____
Matthew E. Richardson
City Attorney

EXHIBIT "A"

SCOPE OF SERVICES

The Consultant shall provide professional construction inspection and related support services on an on-call, as-needed basis for water-related Capital Improvement Program (CIP), private permitted developments, and encroachment permit projects within the City of Signal Hill. Services shall be performed under the direction of the Public Works Director or their designee. The Consultant shall support the City in implementing water CIP projects identified in the Water Master Plan and ongoing infrastructure improvements.

Services may include inspection of water mains, laterals, valves, hydrants, meters, pressure reducing stations, blow-off valves, and other appurtenances, as well as coordination with contractors, utilities, and City staff to ensure compliance with plans, specifications, and regulatory requirements.

SCOPE OF WORK

The Consultant shall provide all labor, equipment, materials, and expertise necessary to perform construction inspection services, including but not limited to the following:

Support for Water Capital Improvement Projects

The Consultant shall provide construction inspection and related services for the City's Water Capital Improvement Projects, as identified in the City's Water Master Plan and Rate Study. Services shall be provided on an as-needed basis for a variety of water system improvement projects, which may include but not limited to:

- Water main replacement and rehabilitation projects
- New water main installation and system expansions
- Water service and lateral replacements
- Pressure reducing station improvements
- Reservoir, booster pump stations, and well facility improvements
- Water treatment facility upgrades
- Meter replacement and Advanced Metering Infrastructure (AMR/AMI) implementation
- Emergency Repair and replacement projects
- SCADA-related water system improvements (as applicable to construction phase)

The Consultant shall maintain flexibility to respond to the evolving needs of the City's Water CIP program and shall allocate appropriate staffing and resources to support multiple projects as required.

Construction Inspection Services

1. Inspect the construction of water mains, water services, laterals, and associated appurtenances to ensure compliance with approved plans, specifications, and the City's CIP program.
2. Monitor and inspect all construction activities within the City right-of-way (ROW), including:
 - Traffic control implementation for water-related projects or emergencies
 - Trenching and excavation operations
 - Restoration, backfill, and compaction activities

3. Enforce permit conditions and ensure all work within wet utilities complies with applicable local, state, and federal regulations, including but not limited to:
 - o City of Signal Hill Water Main Criteria Standards (Standard 400)
 - o City of Signal Hill Water Line vertical and horizontal Clearance requirements from other utilities (critically other wet utilities such as sewer, storm drain, and oil lines)
 - o California Department of Public Health (CDPH) / DDW standards
 - o AWWA standards
 - o Cal/OSHA safety requirements
4. Inspect installation of new and repaired infrastructure of the following:
 - o Water service and backflow prevention assembly connections
 - o Fire service lines and fire protection systems
 - o Water meters and meter boxes
 - o Valves, hydrants, blow-offs, and air release valves
5. Coordinate and observe utility tie-ins performed by contractors or third parties to ensure proper sequencing, shutdown coordination, and system integrity.

Water Pipeline and Trench Inspection

1. Verify trenching operations, including:
 - o Excavation limits
 - o Shoring and trench safety compliance
 - o Utility conflicts and clearances
2. Inspect bedding, pipe placement, backfill, and compaction to ensure compliance with:
 - o City standards for sand bedding
 - o Standard Specifications for Public Works Construction (Greenbook)
 - o Project-specific requirements
 - o Public works City Inspector procedures
3. Review and document compaction testing results and verify conformance with required density standards.
4. Monitor surface restoration including pavement, curb and gutter, sidewalks, and landscaping.

Testing and Commissioning

The Consultant shall witness, document, and verify all required testing, including but not limited to:

1. Hydrostatic pressure testing of water mains
2. Bacteriological testing and system disinfection
3. Fire flow testing and system performance verification
4. Backflow preventer testing (BAC-T)
5. Leak detection and line flushing procedures
6. Functional testing of valves, hydrants, and appurtenances

The Consultant shall ensure all testing meets City standards and regulatory agency requirements prior to acceptance.

Construction Monitoring and Documentation

1. Provide full-time or part-time inspection as required for each assigned project or ROW permitted work.
2. Maintain accurate and detailed daily inspection reports documenting:
 - o Work performed
 - o Labor and equipment on site
 - o Weather conditions

- Delays or issues
- Safety observations
- 3. Track contractor quantities and verify pay quantities for progress payments.
- 4. Review contractor submittals, RFIs, and shop drawings for conformance with construction documents.
- 5. Identify and document deviations from plans and coordinate with City staff for resolution.
- 6. Assist in preparation and review of:
 - Change orders
 - Field directives
 - Extra work authorizations

Coordination and Communication

1. Coordinate with City staff, contractors, utility agencies, and stakeholders to ensure smooth project execution.
2. Attend and participate in:
 - Pre-construction meetings
 - Progress meetings
 - Coordination meetings
3. Provide timely communication regarding field issues, conflicts, and recommended resolutions.
4. Coordinate water shutdowns, tie-ins, and customer notifications as required.

Regulatory Compliance and Safety

1. Ensure compliance with all applicable permits, including:
 - Encroachment permits
 - Environmental permits
 - Traffic control plans
2. Monitor contractor compliance with safety standards and report unsafe conditions.
3. Verify compliance with environmental requirements including:
 - Stormwater pollution prevention (SWPPP)
 - Dust control
 - Noise control

Project Closeout Services

1. Conduct final inspections and punch list preparation.
2. Verify completion of all corrective work.
3. Assist in preparation of project closeout documentation, including:
 - As-built drawings
 - Test results and certifications
 - Final quantity verification
4. Provide recommendations for project acceptance.

Additional On-Call Support Services

The Consultant may be requested to provide additional services including:

1. Emergency inspection services for water main breaks or urgent repairs.
2. Assistance with condition assessments of existing infrastructure.
3. Support for grant-funded projects and reporting requirements.
4. Coordination with SCADA or system integration improvements where applicable. SCADA field-truthing to physically verify field conditions match with SCADA telemetry (e.g. checking physical tank levels, pressure gauges against digital readouts)

5. Miscellaneous inspection, investigation, and reporting tasks as directed by the Public Works Director.

INSPECTOR QUALIFICATIONS AND CERTIFICATIONS

The Consultant shall provide qualified inspection personnel with demonstrated experience in water infrastructure construction. All personnel assigned to perform inspection services shall possess the appropriate certifications, training, and experience necessary to perform the required duties in accordance with industry standards and regulatory requirements.

Minimum Qualifications

Construction inspectors assigned to water CIP projects shall, at a minimum:

1. Have a minimum of three (3) years of experience in construction inspection of water or related public works infrastructure projects.
2. Demonstrate experience inspecting:
 - o Water main installation and rehabilitation
 - o Wet utility construction within public right-of-way
 - o Trenching, backfill, and compaction operations
 - o Utility tie-ins and service connections
3. Be familiar with applicable standards, including:
 - o Standard Specifications for Public Works Construction (Greenbook)
 - o AWWA standards
 - o California Plumbing Code and applicable State regulations

Desirable Certifications

The ideal inspector shall have current and valid certifications, including but not limited to:

- ACI Field Testing Technician – Grade I (or equivalent)
- NICET Certification (Level II or higher) in Construction Materials Testing, Transportation, or Utility Inspection (preferred)
- OSHA 10-hour Construction Safety Certification (minimum; OSHA 30-hour preferred)

Additional/Preferred Certifications

The following certifications are highly desirable and may be required depending on the specific task assignment:

- Water Distribution Operator Certification (State of California)
- Backflow Prevention Assembly Tester (BAC-T) Certification
- Traffic Control / ATSSA Certification (or equivalent)
- SWPPP / QSP Certification for stormwater compliance
- Confined Space Entry Training
- CPR/First Aid Certification

Staffing and Substitutions

1. The Consultant shall provide personnel who meet or exceed the qualifications listed above.
2. The consultant may assign more than one inspector to complete requested specific tasks under their respective skills and certifications, however the inspector used should not be substituted during the completion of the project or task.
3. Any proposed substitutions of key personnel must be submitted to the City for review and approval prior to assignment.
4. The City reserves the right to request removal and replacement of any personnel deemed unqualified or unsatisfactory in performance.

Responsibility for Compliance

The Consultant shall ensure that all personnel maintain current certifications throughout the duration of the contract and comply with all applicable safety and regulatory training requirements.

WORK REQUEST PROCEDURE

The successful consultant(s) will be assigned work via the City's request process using a time and material basis at a cost not to exceed the annual budget as established by contract, as follows:

- A. Each task to be performed shall be set forth in a written request ("Request") produced by the Public Works Director with a description of the work to be performed, and the time desired for completion. All tasks shall be carried out in conformity with all provisions of this Agreement.
- B. Following receipt of the Request, the Consultant shall prepare a "Task Proposal" that includes the following components, and submit to the City within the deadline requested (5-10 days):
 1. A written description of the requested task ("Task Description") including all components and subtasks, and including any clarifications of the descriptions provided in the Request;
 2. The costs to perform the task ("Task Budget");
 3. An explanation of how the cost was determined; and
 4. A schedule for completion of the task ("Task Completion Schedule"), including a final completion date ("Task Completion Date").
- C. Public Works Director shall approve, modify, or reject the Task Proposal in writing, and issue a Notice to Proceed when a written agreement has been reached on the Task Proposal.
- D. The task shall be performed at a cost not exceeding the Task Budget.
- E. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.
- F. Consultant shall complete the task and deliver all deliverables to the Public Works Director by the Task Completion Date and in accordance with the Task Completion Schedule.
- G. Consultant will utilize the proposed personnel to accomplish the Services. Any personnel substitutions shall be approved by the Public Works Director.
- H. Consultant acknowledges that City has no obligation to request work from Consultant under this Agreement. City may establish a rotation schedule with multiple consultants, and may seek competing Task Proposals.
- I. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City apprised of the status of performance by delivering weekly written summary of progress on all approved Task Proposals for services lasting longer than one week.
- J. Consultant will utilize the following personnel to accomplish the Services. Any personnel substitutions shall be approved by the Public Works Director.

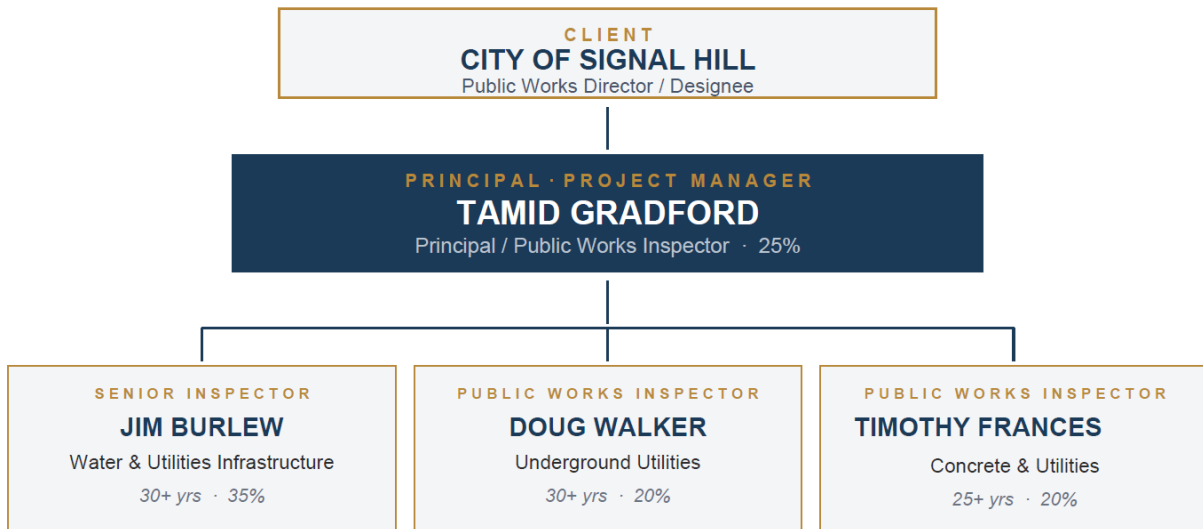


EXHIBIT "B"

SCHEDULE OF SERVICES

Consultant shall establish a Task Budget for each Task identifying the subtasks, based on the time and rates of the personnel performing the subtasks and itemizing all materials and equipment utilized and the costs thereof. If payment is to be made other than at completion of the services, then the phases of the performance and percentage of payment due shall also be shown in the Task Proposal.

A retention of ten percent (10%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.

Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task sub budget to another so long as the Contract Sum is not exceeded the total compensation, unless additional services are approved by the Public Works Director.

The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

1. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
2. Line items for all materials and equipment properly charged to the Services.
3. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
4. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

The total compensation for the Services shall not exceed \$350,000 for the term of the agreement as stated in Section 3.12 of this agreement. The Consultants billing rates and terms for all personnel and other expenses are attached as Exhibit C.

EXHIBIT "C"

Hourly Compensation Rates

Effective: July 1, 2026 – June 30, 2029

CLASSIFICATION	Standard Rate	Overtime Rate
Principal / Project Manager	\$ 195 /hr	\$ 292.50 /hr
Senior Public Works Inspector	\$ 180 /hr	\$ 270 /hr
Public Works Inspector	\$ 165 /hr	\$ 247.50 /hr

NOTES

- › All field inspection rates are inclusive of vehicle, standard inspection equipment, communication tools, and routine field consumables.
- › Overtime rates apply to hours worked beyond eight (8) per day or forty (40) per week, and to weekend or holiday work as required by Labor Code provisions.
- › Authorized expenses outside the scope of work will be billed at cost plus 10% with prior written authorization.
- › Rate increases over the contract term will be limited to State-mandated prevailing wage adjustments, submitted for City review on each anniversary of contract execution.
- › GRADFORD Inc. will consider blended rates, not-to-exceed task budgets, and volume considerations for sustained full-time or multi-month task orders, subject to mutual agreement at Task Proposal issuance.

Hourly rates applicable to all staff proposed to work on City projects by classification. All rates conform to prevailing wage rates. Pricing for actual task orders awarded during the On-Call Consultant contract period may be lower than the hourly rates stated, but may never be higher.

Pricing provided shall remain firm for the entire duration of the initial contract, with the exception of State mandated Prevailing Wage requirements.

The City will pay cost plus 10% for authorized expenses not included in the scope of work. The consultant's expenses for travel, in-house reproduction, other reproduction used in the administration of the contract, or any other reasonably anticipated expenses, will be considered as non-reimbursable, overhead expenses.

EXHIBIT "D"
INSURANCE REQUIREMENTS

3.2.11 Insurance.

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

3.2.11.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder, and without limiting the indemnity provisions of the Agreement, the Consultant, in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement the following policies of insurance. If the existing policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

(A) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, or the exact equivalent, with limits of not less than \$1,000,000 per occurrence and no less than \$2,000,000 in the general aggregate. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions (1) limiting coverage for contractual liability; (2) excluding coverage for claims or suits by one insured against another (cross-liability); or (3) containing any other exclusion(s) contrary to the terms or purposes of this Agreement.

(B) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1), or the exact equivalent, covering bodily injury and property damage for all activities with limits of not less than \$1,000,000 combined limit for each occurrence. *****NOTE: If Consultant does not own any company vehicles or may not be able to purchase a Business Automobile Insurance Policy, the requirement may be satisfied by providing either of the following:** (1) a Personal Automobile Liability policy for the Consultant's own vehicle stipulating "Automobile Liability Insurance with a limit of not less than \$1,000,000 each accident" with a Business Use Endorsement; or (2) a non-owned auto endorsement to the Commercial General Liability policy if Consultant uses vehicles of others (e.g., vehicles of employees).

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

(D) Professional Liability (Errors & Omissions): Professional Liability insurance or Errors & Omissions insurance appropriate to Consultant's profession with limits of not less than \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.). If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement

and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

(E) Pollution Liability: Pollution Liability Insurance covering all of the consultant's operations to include onsite and offsite coverage for bodily injury (including death and mental anguish), property damage, defense costs and cleanup costs with limits of not less than \$5,000,000 per loss and \$10,000,000 total all losses. The policy shall contain no endorsements or provisions limiting contractual liability or coverage for cross liability of claims or suits by one insured against another. If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement **Coverage is applicable for all construction-related work.**

3.2.11.3 Insurance Endorsements. Required liability insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

(A) Commercial General Liability [Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the terms or purposes of this Agreement. For all policies of Commercial General Liability insurance, Consultant shall provide endorsements in the form of ISO CG 20 10 10 01 and 20 37 10 01 (or endorsements providing the exact same coverage) to effectuate this requirement.

(1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Automobile Liability:

(C) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

3.2.11.4 Professional Liability (Errors & Omissions):

(A) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

3.2.11.5 Workers' Compensation:

(A) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

(B) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers.

3.2.11.6 Primary and Non-Contributing Insurance. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.2.11.7 Waiver of Subrogation. All policies of Commercial General Liability and Automobile Liability insurance shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City, its officials, officers, employees, agents, and volunteers, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

3.2.11.8 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City and shall protect the City, its officials, officers, employees, agents, and volunteers in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.2.11.9 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates on forms approved by the City, together with all endorsements affecting each policy. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15 days) prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.2.11.10 Failure to Maintain Coverage. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be

promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement effective upon notice.

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

Products/completed operations coverage. Products liability coverage shall extend for a minimum of three years (3) after project completion, and completed operations coverage for construction agreements shall extend for 10 years from the date of substantial completion of the project or the statute of repose, whichever is longer. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The Agency, its officials, officers, agents, and employees, shall be included as additional insureds under the Products and Completed Operations coverage. – **Required for all construction work.**

3.2.11.12 Enforcement of Agreement Provisions (non estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligation on the City nor does it waive any rights hereunder.

3.2.11.13 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Appendix are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance.

3.2.11.14 Insurance for Subconsultants. Consultant shall include all subconsultants engaged in any work for Consultant relating to this Agreement as additional insureds under the Consultant's policies, or the Consultant shall be responsible for causing subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City, its officials, officers, employees, agents, and volunteers as additional insureds to the subconsultant's policies. All policies of Commercial General Liability insurance provided by Consultant's subconsultants performing work relating to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers as additional insureds using endorsement form ISO CG 20 38 04 13 or an endorsement providing equivalent coverage. Consultant shall not allow any subconsultant to commence work on any subcontract relating to this Agreement until it has received satisfactory evidence of subconsultant's compliance with all insurance requirements under this Agreement, to the extent applicable. The Consultant shall provide satisfactory evidence of compliance with this section upon request of the City.