

AGREEMENT FOR PUBLIC IMPROVEMENT

BURLINGAME TOWN SQUARE PROJECT

CITY PROJECT NO. 86120

HUD CPF GRANT NO. B-23-CP-CA-0223

THIS AGREEMENT, made in duplicate and entered into in the City of Burlingame, County of San Mateo, State of California on October 21, 2024 by and between the CITY OF BURLINGAME, a Municipal Corporation, hereinafter called "City", and AZUL WORKS, INC., a [State of incorporation] [Corporation or other form of business], hereinafter called "Contractor,"

WITNESSETH:

WHEREAS, City has taken appropriate proceedings to authorize construction of the public work and improvements herein provided for and to authorize execution of this Contract; and

WHEREAS, pursuant to State law and City requirements, a notice was duly published for bids for the contract for the improvement hereinafter described; and

WHEREAS, on October 21, 2024, after notice duly given, the City Council of Burlingame awarded the contract for the construction of the improvements hereinafter described to Contractor, which the Council found to be the lowest responsive, responsible bidder for these improvements; and

WHEREAS, City and Contractor desire to enter into this Agreement for the construction of said improvements,

NOW, THEREFORE, IT IS AGREED by the parties hereto as follows:

1. Scope of work.

Contractor shall perform the work described in those Contract Documents entitled: BURLINGAME TOWN SQUARE PUBLIC PLAZA PROJECT, CITY PROJECT NO. 86120, HUD CPF GRANT NO. B-23-CP-CA-0223

2. The Contract Documents.

The complete contract between City and Contractor consists of the following

documents: this Agreement; Notice To Bidders, attached hereto as Exhibit B; the accepted Bid Proposal, attached hereto as Exhibit C; the provisions contained in the attached agreement titled "FY 2023 Community Project Funding Grant Agreement No. B-23-CP-CA-0223" attached as Exhibit A; a non-exhaustive list of applicable federal laws and regulations, attached hereto as Exhibit D; the complete Special Provisions set forth in the State of California Standard Specifications 2010 edition, as promulgated by the California Department of Transportation; prevailing wage rates of the State of California applicable to this project by State law; and all bonds; which are collectively hereinafter referred to as the Contract Documents. All rights and obligations of City and Contractor are fully set forth and described in the Contract Documents, which are hereby incorporated as if fully set forth herein. All of the above described documents are intended to cooperate so that any work called for in one, and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

3. Contract Price.

The City shall pay, and the Contractor shall accept, in full, payment of the work above agreed to be done, the sum of Six-Million, Two-Hundred and Forty-Four Thousand dollars (\$6,674,000.00), called the "Contract Price". This price is determined by the lump sum, unit prices contained in Contractor's Bid, and Add Alternates 1, 2, 3 and 4. In the event authorized work is performed or materials furnished in addition to those set forth in Contractor's Bid and the Specifications, such work and materials will be paid for at the unit prices therein contained. Said amount shall be paid in progress payments as provided in the Contract Documents.

4. Termination

At any time and with or without cause, the City may suspend the work or any portion of the work for a period of not more than 90 consecutive calendar days by notice in writing to Contractor that will fix the date on which work will be resumed. Contractor will be granted an adjustment to the Contract Price or an extension of the Time for Completion, or both, directly attributable to any such suspension if Contractor makes a claim therefor was provided in the Contract Documents.

The occurrence of any one or more of the following events will justify termination

of the contract by the City for cause: (1) Contractor's persistent failure to perform the work in accordance with the Contract Documents; (2) Contractor's disregard of Laws or Regulations of any public body having jurisdiction; (3) Contractor's disregard of the authority of the Engineer; or (4) Contractor's violation in any substantial way of any provision of the Contract Documents. In the case of any one or more of these events, the City, after giving Contractor and Contractor's sureties seven calendar days written notice of the intent to terminate Contractor's services, may initiate termination procedures under the provisions of the Performance Bond. Such termination will not affect any rights or remedies of City against Contractor then existing or that accrue thereafter. Any retention or payment of moneys due Contractor will not release Contractor from liability. Contractor's services will not be terminated if Contractor begins, within seven calendar days of receipt of such notice of intent to terminate, to correct its failure to perform and proceeds diligently to cure such failure within no more than 30 calendar days of such notice.

Upon seven calendar days written notice to Contractor, City may, without cause and without prejudice to any other right or remedy of City, terminate the Contract for City's convenience. In such case, Contractor will be paid for (1) work satisfactorily completed prior the effective date of such termination, (2) furnishing of labor, equipment, and materials in accordance with the Contract Documents in connection with uncompleted work, (3) reasonable expenses directly attributable to termination, and (4) fair and reasonable compensation for associated overhead and profit. No payment will be made on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

5. Provisions Cumulative.

The provisions of this Agreement are cumulative and in addition to and not in limitation of any other rights or remedies available to the City.

6. Notices.

All notices shall be in writing and delivered in person or transmitted by certified mail, postage prepaid.

Notices required to be given to the City shall be addressed as follows:

Mr. Kevin Okada
Senior Engineer
City of Burlingame
501 Primrose Road
Burlingame, California 94010

Notices required to be given to Contractor shall be addressed as follows:

Sandra R. Hernandez
President
Azul Works, Inc.
1400 Egbert Avenue
San Francisco, CA 94124

7. Interpretation

As used herein, any gender includes the other gender and the singular includes the plural and vice versa.

8. Waiver or Amendment.

No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the City and the Contractor. One or more waivers of any term, condition, or other provision of this Agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provision.

9. Controlling Law.

This Agreement is to be governed by and interpreted in accordance with the laws of the State of California.

10. Successors and Assignees.

This Agreement is to be binding on the heirs, successors, and assigns of the parties hereto but may not be assigned by either party without first obtaining the written consent of the other party.

11. Severability.

If any term or provision of this Agreement is deemed invalid, void, or unenforceable

by any court of lawful jurisdiction, the remaining terms and provisions of the Agreement shall not be affected thereby and shall remain in full force and effect.

12. Insurance.

12.1 Time for Compliance. Contractor 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, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this Section.

12.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) Automobile Liability: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) Workers' Compensation and Employer's Liability: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) General Liability: \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) Automobile

Liability: \$1,000,000 combined single limit for bodily injury and property damage; and (3) Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease. Defense costs shall be paid in addition to the limits.

(C) Notices; Cancellation or Reduction of Coverage. At least fifteen (15) days prior to the expiration of any such policy, evidence showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or materially reduced, Contractor 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. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Contractor or the City may withhold amounts sufficient to pay premium from Contractor payments. In the alternative, the City may suspend or terminate this Agreement.

(D) Additional Insured. The City of Burlingame, its officials, officers, employees, agents, and volunteers shall be named as additional insureds on Contractor's and its subcontractors' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

12.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) using ISO CG forms 20 10 and 20 37, or endorsements providing the exact same coverage, the City of Burlingame, its officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Services or ongoing and complete operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) using ISO form 20 01, or endorsements providing the exact same coverage, the insurance coverage shall be primary insurance as respects the City, its officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any excess insurance shall contain a provision that such coverage shall also apply on a primary and

noncontributory basis for the benefit of the City, before the City's own primary insurance or self-insurance shall be called upon to protect it as a named insured. Any insurance or self-insurance maintained by the City, its officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth in Section 3.2.11.2(B), any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 3.2.11.3(A).

(B) Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (1) the City, its officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth in Section 3.2.11.2(B), any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 3.2.11.3(B).

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days (10 days for nonpayment of premium) prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its officials, officers, employees, agents, and volunteers. Any failure to comply with reporting or other provisions of the policies

including breaches of warranties shall not affect coverage provided to the City, its officials, officers, employees, agents and volunteers, or any other additional insureds.

12.4 Separation of Insureds; No Special Limitations; Waiver of Subrogation.

All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its officials, officers, employees, agents, and volunteers. All policies shall waive any right of subrogation of the insurer against the City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

12.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, officers, employees, agents, and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

12.6 Subcontractor Insurance Requirements. Contractor shall not allow any subcontractors to commence work on any subcontract relating to the work under the Agreement until they have provided evidence satisfactory to the City that they have secured all insurance required under this Section. If requested by Contractor, the City may approve different scopes or minimum limits of insurance for particular subcontractors. The Contractor and the City shall be named as additional insureds on all subcontractors' policies of Commercial General Liability using ISO form 20 38, or coverage at least as broad.

12.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VIII, licensed to do business in California, and satisfactory to the City.

12.8 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

12.9 Reporting of Claims. Contractor shall report to the City, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Services under this Agreement.

13. Indemnification.

Contractor shall indemnify, defend, and hold the City, its directors, officers, employees, agents, and volunteers harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of, pertaining or relating to the actual or alleged negligence, recklessness or willful misconduct of Contractor, its employees, subcontractors, or agents, or on account of the performance or character of the services, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, employees, agents, or volunteers. Contractor's duty to indemnify, defend, and hold the City, its directors, officers, employees, agents, and volunteers harmless extends to the terms of Exhibits A and D. It is understood that the duty of Contractor to indemnify and hold harmless includes the duty to defend as set forth in section 2778 of the California Civil Code. Notwithstanding the foregoing, for any design professional services, the duty to defend and indemnify City shall be limited to that allowed by state law. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

13. Federal and State Requirements

As stated above, the scope of work covers City Project No. 86120. Contractor acknowledges that funding for this Agreement is provided, the U.S. Department of Housing and Urban Development. Contractor shall fully and adequately comply with the provisions included in FY 2023 Community Project Funding Grant Agreement No. B-23-

CP-CA-0223 (Exhibit "A") and the non-exhaustive list of applicable federal laws and regulations (Exhibit "D").

IN WITNESS WHEREOF, two identical counterparts of this Agreement, consisting of five pages, including this page, each of which counterparts shall for all purposes be deemed an original of this Agreement, have been duly executed by the parties hereinabove named on the day and year first hereinabove written.

CITY OF BURLINGAME,
a Municipal Corporation

By _____
Lisa K. Goldman, City Manager

Approved as to form:

Michael Guina, City Attorney

ATTEST:

Meaghan Hassel-Shearer, City Clerk

"CONTRACTOR"

By _____
Print Name:
Company Name: