

**CITY OF LA HABRA  
PUBLIC WORKS AGREEMENT FOR  
HVAC DUCTWORK REPLACEMENT  
AT 215 N EUCLID STREET  
CITY PROJECT NO. 3-B-26**

THIS AGREEMENT (herein "Agreement") is made and entered into this 4<sup>TH</sup> day of May, 2026, by and between the CITY OF LA HABRA, a municipal corporation (herein "City"), and Pacific West Industries, Inc. (herein "Contractor"). The parties hereto agree as follows:

**WITNESSETH:**

A. WHEREAS, City requires the construction of the replacement and installation of a new ductwork as set forth more fully in this Agreement.

B. WHEREAS, Contractor represents to City that Contractor is qualified to perform said work and has submitted a proposal to City for the same.

C. WHEREAS, City desires to have Contractor perform said services on the terms and conditions set forth herein.

D. WHEREAS, no official or employee of City has a financial interest, within the provisions of Sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

E. WHEREAS, this Agreement is authorized under La Habra Municipal Code Chapter 4.20.120 (Bidding requirements for purchase of goods and services, other than for public works projects).

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, City and Contractor hereby agree as follows:

**1.0 DEFINITIONS**

1.1 Definitions. As used in this Agreement, the following definitions shall be applicable:

- (a) Contractor. Contractor shall mean Pacific West Industries, Inc. a California corporation located at 1912 W Business Center Dr, Orange, CA 92867.
- (b) City. City shall mean the City of La Habra, a Municipal Corporation, located at 110 East La Habra Boulevard, La Habra, California 90631.
- (c) City Council. City Council shall mean the City Council of the City of La Habra.

- (e) **Services.** Services shall mean the services to be performed by the Contractor pursuant to this Agreement.
- (f) **Satisfactory.** Satisfactory shall mean satisfactory to the City Manager or his/her designee.

## **2.0 SERVICES OF CONTRACTOR**

2.1 **Scope of Services.** In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended.

2.2 **Documents Included in Contract.** This contract consists of this Agreement and any Exhibits, which are incorporated herein by this reference. In the event of an inconsistency, the terms of this Agreement shall govern.

2.3 **Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State, or local governmental agency having jurisdiction in effect at the time service is rendered, including but not limited to, the claims procedure set forth in Public Contract Code Section 9204, a summary of which is attached to this agreement as Exhibit "E".

2.4 **Licenses, Permits, Fees, and Assessments.** Contractor shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement, including registration with the Department of Industrial Relations of the State of California as required by Labor Code Section 1725.5 before commencing performance under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend, and hold harmless City against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City hereunder. Contractor shall be responsible for all subcontractors' compliance with this Section 2.4.

2.5 **Familiarity with Work.** By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the Contract Officer.

2.6 Standard of Performance. Contractor, its subcontractors, and their employees, in the performance of Contractor's work under this Agreement, shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Contractor's field.

Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, shall be borne in total by the Contractor and not by the City. The failure of a project to achieve the performance goals and objectives stated in this Agreement is not a basis for requesting re-performance unless the work conducted by Contractor and/or its subcontractors is deemed by the City to have failed the foregoing standard of performance.

In the event Contractor fails to perform in accordance with the above standard:

1. Contractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of City. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Contractor shall work any overtime required to meet the deadline for the task at no additional cost to the City;
2. The City shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and
3. The City shall have the option to direct Contractor not to re-perform any task which was not performed to the reasonable satisfaction of the City Project Manager pursuant to application of (1) and (2) above. In the event the City directs Contractor not to re-perform a task, the City shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the City's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the City may have under law.

2.7 Care of Work. The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

2.8 Further Responsibilities of Parties. Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other. Contractor shall require all subcontractors to comply with the provisions of this agreement.

2.9 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum as set forth in Section 3.1, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written

approval of the Contractor. Any increase in compensation of ten percent (10%) or less of the Contract Sum, or in the time to perform of one hundred eighty (180) days or less, may be approved by the Contract Officer. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

2.10 Prevailing Wage Laws. Contractor represents and warrants that it is registered with the Department of Industrial Relations as required by SB 854 and Labor Code 1725.5 and understands that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor shall ensure that its subcontractors comply with said requirements. Contractor shall comply with Labor Code Section 1771.4 and shall post all legally required job site notices. In accordance with Labor Code Section 1770 et seq., the Director of the Department of Industrial Relations of the State of California has ascertained a general prevailing rate of wages, which is the minimum amount, which shall be paid to all workers employed to perform the work pursuant to this Agreement. A copy of the general prevailing wage rate determination is on file in the Office of the City Clerk and is hereby incorporated by reference into this Agreement. In accordance with the provisions of Labor Code Section 1810 et seq., eight (8) hours is the legal working day. Contractor must forfeit to the City Twenty Five Dollars (\$25.00) a day for each worker who works in excess of the minimum working hours when Contractor does not pay overtime. Contractor is required to post a copy of such wage rates at all times at the contract site. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contractor also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 et. seq., including Section 1776. Contractor shall comply with all statutory requirements relating to the employment of apprentices.

### **3.0 COMPENSATION**

3.1 Contract Sum. For the services rendered pursuant to this Agreement, the Contractor shall be compensated as specified herein, but not exceeding the maximum contract amount of Sixty-Four thousand eight Hundred Fifty Dollars (\$64,850) (herein "Contract Sum"), except as provided in Section 2.9. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City; Contractor shall not be entitled to any additional compensation for attending said meetings.

3.2 Progress Payments. Prior to the first day of the month, during the progress of the work, commencing on the day and month specified in the Agreement, Contractor shall submit to the Contract Officer a complete itemized statement of all labor and materials incorporated into the work during the preceding month and the portion of the contract sum applicable thereto. Upon approval in writing by the Contract Officer, payment shall be made in thirty (30) days. City shall pay Contractor a sum based upon ninety-five percent (95%) of the contract price apportionment of the labor and materials incorporated into the work under the contract during the month covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security. Refer to Section 8.4 of this Agreement for retention of funds.

#### **4.0 PERFORMANCE SCHEDULE**

4.1 Time of Essence. Time is of the essence in the performance of this Agreement.

4.2 Schedule of Performance. Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "B", and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Scope of Services may be approved in writing by the Contract Officer.

4.3 Force Majeure. The time period(s) specified in the Scope of Services for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes for the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term. Unless earlier terminated in accordance with Section 8.9 of this Agreement, this Agreement shall continue in full force and effect until final approval and acceptance of the project by the Contract Officer. Notwithstanding the foregoing, this Agreement shall terminate no later than May 4, 2027, unless the parties mutually agree in writing to extend the term.

#### **5.0 COORDINATION OF WORK**

5.1 Representative of Contractor. The following principals of Contractor are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Robyn Marquardt, Vice President  
Pacific West Industries, Inc.  
1912 W Business Center Dr.  
Orange, CA 92867

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City.

5.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager or City Engineer of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions that must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the

Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

5.3 Prohibition Against Assignment. The experience, knowledge, capability, and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

5.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode, or means by which Contractor, its subcontractors, agents, or employees, performs the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contractor's employees, subcontractors, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its subcontractors, agents, or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

5.5 Identity of Persons Performing Work. Contractor represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all tasks and services set forth herein. Contractor represents that the tasks and services required herein will be performed by Contractor or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

5.6 Utility Relocation. City is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse contractor for any costs incurred in locating, repairing damage not caused by contractor, and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

5.7 Trenches or Excavations. Pursuant to California Public Contract Code Section 7104, in the event the work included in this Agreement requires excavations more than four (4) feet in depth, the following shall apply.

- (a) Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from

those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

- (b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 2.9 of this Agreement.
- (c) That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. Contractor shall retain any and all rights provided either by contract or by law, which pertain to the resolution of disputes and protests between the contracting parties.

## **6.0 INSURANCE, INDEMNIFICATION, AND BONDS**

6.1 Insurance. The Contractor and all subcontractors, if any, shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement, including any extension thereof, insurance as set forth in Exhibit "C" attached hereto and incorporated herein by this reference.

### **Conditions:**

In accordance with Public Contract Code Section 20170, the insurance of surety companies who provide or issue the policy shall have been admitted to do business in the State of California with a credit rating of A- or better.

The City of La Habra, its officers, officials, employees, agents, and volunteers shall be named as additional insureds.

Prior to commencement of any work under this contract, Contractor shall deliver to the City insurance endorsements confirming the existence of the insurance required by this contract, and including the applicable clauses as set forth in Exhibit "C" attached hereto and incorporated herein by this reference.

Such endorsements shall be signed by an authorized representative of the insurance company and shall include the signatory's company affiliation and title. Should it be deemed necessary by the City, it shall be Contractor's responsibility to see that the City receives documentation, acceptable to the City, which sustains that the individual signing said endorsements is indeed authorized to do so by the insurance company.

If the Contractor fails to maintain the aforementioned insurance, or secure and maintain the aforementioned endorsement, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the agreement. However, procuring of said insurance by the City is an alternative to other

remedies the City may have, and is not the exclusive remedy for failure of Contractor to maintain said insurance or secure said endorsement. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which became due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.

Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this agreement.

Each contract between the Contractor and any subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to this Section 6.1.

6.2 Certificates of Insurance. Contractor shall provide to City certificates of insurance showing the insurance coverages, as well as providing the City with the required endorsements, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance and endorsements shall be attached to this Agreement as Exhibit "D" and are incorporated herein by this reference.

6.3 Indemnification. Contractor shall protect, defend, indemnify, and hold free and harmless the City of La Habra, its officers, officials, employees, agents, and volunteers, at Contractor's sole expense, from and against any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising or alleged to arise out of or in any way connected with the performance of the work, operations, or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising or alleged to arise from the acts or omissions of Contractor hereunder, or arising or alleged to arise from Contractor's performance of or failure to perform any term, provision, covenant or condition of this Agreement including all acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of the Contractor, its employees, and/or subcontractors.

- (a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith.
- (b) Contractor will promptly pay any judgment rendered against the City, its officers, officials, employees, agents, or volunteers for any such claims or liabilities arising or alleged to arise out of or in connection with Contractor's (or its agents', employees', subcontractors', or invitees') negligent performance of or failure to perform such work, operations, or activities hereunder; and Contractor agrees to save and hold the City, its officers, officials, employees, agents, and volunteers harmless therefrom.
- (c) In the event the City, its officers, officials, employees, agents, or volunteers are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising or alleged to arise out of

or in connection with the performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor shall pay to the City, its officers, officials, employees, agents, or volunteers any and all costs and expenses incurred by the City, its officers, officials, employees, agents, or volunteers in such action or proceeding, including but not limited to, legal costs and attorneys' fees for counsel selected by City.

- (d) Contractor's duty to defend and indemnify as set out in this Section 6.3 shall include any claims, liabilities, obligations, losses, demands, actions, penalties, suits, costs, expenses or damages or injury to persons or property arising or alleged to arise from, in connection with, as a consequence of or pursuant to any State or Federal law or regulation regarding hazardous substances, including but not limited to the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"), Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Resource Conservation and Recovery Act of 1976 ("RCRA"), the Hazardous and Solid Waste Amendments of 1984, the Hazardous Material Transportation Act, the Toxic Substances control Act, the Clean Air Act, the Clean Water Act, the California Hazardous Substance Account Act, the California Hazardous Waste Control Law or the Porter-Cologne Water Quality Control Act, as any of those statutes may be amended from time to time.

Notwithstanding the foregoing, Contractor shall not be liable for the defense or indemnification of the City for claims, actions, complaints, or suits arising out of the sole active negligence or willful misconduct of the City.

The Contractor's indemnification obligations pursuant to this Section 6.3 shall survive the termination of this Agreement. Contractor shall require the same indemnification from all subcontractors.

These indemnification provisions are independent of and shall not in any way be limited by the insurance requirements of this Agreement. City approval of the insurance required by this Agreement does not in any way relieve Contractor from liability under this section.

6.4 PERS Eligibility Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, State, or Federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to

any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.5 Labor and Materials and Performance Bonds. Concurrently with execution of this Agreement, Contractor shall deliver to City a labor and materials bond and a performance bond each in the sum of the amount of this Agreement, in the forms provided by the City Clerk, which secures the faithful performance of this Agreement. The bonds shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bonds shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement.

6.6 Sufficiency of Insurer or Surety. Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A-" or better in the most recent edition of Best's Key Rating Guide or in the Federal Register, and only if they are of a Financial Size Category Class VII or larger, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. In the event the Project Manager and Risk Manager determine that the work or services to be performed under this Agreement creates an increased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies required by this Section 6 may be changed accordingly upon receipt of written notice from the Project Manager provided that the Contractor shall have the right to appeal a determination of increased coverage by the Project Manager to the City Council of City within ten (10) days of receipt of notice from the Project Manager.

6.7 Substitution of Securities. Pursuant to California Public Contract Code Section 22300, substitution of eligible equivalent securities for any monies withheld to ensure performance under the contract for the work to be performed will be permitted at the request and expense of the successful bidder.

## **7.0 RECORDS AND REPORTS**

7.1 Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.2 Records. Contractor shall keep, and require subcontractors to keep, such books and records (including but not limited to payroll records as required herein) as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a

period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Contractor, its employees, subcontractors, and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

7.4 Public Records Act Disclosure. Contractor has been advised and is aware that this Agreement and all reports, documents, information, and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Contractor, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code Section 7920.000 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code Section 7924.510, and of which Contractor informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

## **8.0 GENERAL PROVISIONS**

8.1 Governing Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives, and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

The Principal set forth in Section 5.1 above shall be the representative for Contractor for purposes of this Agreement, and shall be authorized to issue all consents, approvals, directives, and agreements on behalf of Contractor called for by this Agreement, except as otherwise expressly provided in this Agreement.

8.3 Disputes. In the event either party fails to perform its obligations hereunder, the nondefaulting party shall provide the defaulting party written notice of such default. The defaulting party shall have ten (10) days to cure the default; provided that, if the default is not reasonably susceptible to being cured within said ten (10) day period, the defaulting party shall have a

reasonable time to cure the default, not to exceed a maximum of thirty (30) days, so long as the defaulting party commences to cure such default within ten (10) days of service of such notice and diligently prosecutes the cure to completion; provided further that if the default is an immediate danger to the health, safety and general welfare, the defaulting party shall take such immediate action as may be necessary. Notwithstanding the foregoing, the nondefaulting party may, in its sole and absolute discretion, grant a longer cure period. Should the defaulting party fail to cure the default within the time period provided in this Section, the nondefaulting party shall have the right, in addition to any other rights the nondefaulting party may have at law or in equity, to terminate this Agreement. Compliance with the provisions of this Section 8.3 shall be a condition precedent to bringing any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.

8.4 Retention of Funds. Progress payments shall be made in accordance with the provisions of Section 3.2 of this Agreement. In accordance with said section, City shall pay Contractor a sum based upon ninety-five percent (95%) of the contract price apportionment of the labor and materials incorporated into the work under the contract during the month covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security to be paid to the Contractor within sixty (60) days after final acceptance of the work by the City Council, after Contractor shall have furnished City with a release of all undisputed contract amounts if required by City. In the event there are any claims specifically excluded by Contractor from the operation of the release, the City may retain proceeds (per Public Contract Code 7107) of up to 150% of the amount in dispute. City's failure to deduct or withhold shall not affect Contractor's obligations hereunder.

8.5 Waiver. No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.6 Rights and Remedies. Rights and Remedies are cumulative except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.7 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.8 Liquidated Damages. Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City Five Hundred Dollars (\$500.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Scope of Services (Exhibit "A") or Schedule of Performance (Exhibit "B"). The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages.

8.9 Termination for Default of Contractor. If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Contractor shall vacate any City owned property which Contractor is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.3, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of setoff or partial payment of the amounts owed the City as previously stated.

8.10 Notice. Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and shall be deemed to be given when served personally or deposited in the U.S. Mail, prepaid, first-class mail, return receipt requested, addressed as follows:

To City: City of La Habra  
110 East La Habra Boulevard  
La Habra, California 90631  
Attn.: Elias Saykali

To Contractor: Pacific West Industries, Inc,  
1912 W Business Center Dr.  
Orange, CA 92867  
Attn.: Robyn Marquardt

8.11 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.12 Conflict of Interest. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

Contractor and its officers, employees, associates, and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Contractor and its officers, employees, associates, and subcontractor shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates, or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Contractor's duties and services under this Agreement shall not include preparing or assisting the City with any portion of the City's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the City. The City shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Contractor's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Contractor shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of

this project, if any, have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Contractor pursuant to this Agreement.

8.13 Covenant Against Discrimination. Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. To the extent required by law, contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

8.14 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

8.15 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

8.16

8.17 Unfair Business Practices Claims. In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body renders final payment to the contractor without further acknowledgment by the parties. (Sec. 7103.5, California Public Contract Code).

8.18 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

8.19 PERS Eligibility Indemnification. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Notwithstanding any other agency, State, or Federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

8.20 Cooperation. In the event any claim or action is brought against City relating to Contractor's performance or services rendered under this Agreement, Contractor shall render any reasonable assistance and cooperation which City might require.

8.21 Legal Responsibilities. The Contractor shall keep itself informed of City, State, and Federal laws, ordinances, and regulations, which may in any manner affect the performance of its services pursuant to this Agreement. The Contractor shall at all times observe and comply with all such laws, ordinances, and regulations. Neither the City, nor its officers, agents, or employees shall be liable at law or in equity as a result of the Contractor's failure to comply with this section.

8.22 Termination for Convenience. The City may terminate this Agreement without cause for convenience of the City upon giving contractor 30 days prior written notice of termination of the Agreement. Upon receipt of the notice of termination the Contractor shall cease all further work pursuant to the Agreement. Upon such termination by the City the Contractor shall not be entitled to any other remedies, claims, actions, profits, or damages except as provided in this paragraph. Upon the receipt of such notice of termination Contractor shall be entitled to the following compensation:

1. The contract value of the work completed to and including the date of receipt of the notice of termination, less the amount of progress payments received by contractor.
2. Actual move-off costs including labor, rental fees, equipment transportation costs, the costs of maintaining on-site construction office for supervising the mover-off.
3. The cost of materials custom made for this Agreement which cannot be used by the Contractor in the normal course of his business, and which have not been paid for by City in progress payments.
4. All costs shall not include any markups as might otherwise be allowed by any plans or specifications which were a part of the Agreement.

The provisions of this paragraph shall supersede any other provision of the Agreement or any provision of any plans, specification, addendums, or other documents which are or may become a part of this Agreement. City and Contractor agree that the provisions of this paragraph are a substantive part of the consideration for this Agreement.

8.23 Responsibility for Errors. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to Contractor occurs, then Contractor shall, at no cost to City, provide all necessary design drawings, estimates, and other Contractor professional services necessary to rectify and correct the matter

to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

8.24 Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

8.25 Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

8.26 No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

8.27 Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

8.28 Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

8.29 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

8.30 Funding Source Conditions – Contractor’s Obligation. Contractor acknowledges that the City may be paying for the Project by using funds it receives or will receive from various funding sources in the form of grants and/or subsidies, and the like under certain terms and conditions. Contractor warrants that it is not suspended or debarred from doing business with the United States government and can legally be paid from federal funds. Contractor acknowledges and agrees that any failure of the Contractor and/or its subcontractors to perform its obligations under the Contract, including, but not limited to, timely submitting accurate reports and records, that in any way results in the City not meeting the terms and conditions placed on the funds by the funding source, or forfeiting its entitlement to or, otherwise, not receiving, the funds, then the Contractor shall be liable to pay the City for the funds not granted to the City on the Project.

8.31 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any

Project No. 3-B-26

inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

CITY OF LA HABRA,  
A municipal corporation

\_\_\_\_\_  
Jim Sadro, City Manager

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Rhonda J. Barone, CMC, City Clerk

Date: \_\_\_\_\_


\_\_\_\_\_  
Keith F. Collins, City Attorney

CONTRACTOR:

  
\_\_\_\_\_  
Signature

Date: 04/20/2026

Robyn Marquardt, CFO  
\_\_\_\_\_  
Name and Title

  
\_\_\_\_\_  
Social Security or Taxpayer ID Number

**LABOR AND MATERIAL PAYMENT BOND  
PUBLIC WORK (CALIFORNIA)**

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, \_\_\_\_\_, as Principal, has entered into a contract dated \_\_\_\_\_, with the City of La Habra (Obligee) referred to and made a part hereof to perform the following work, to wit: \_\_\_\_\_ and all appurtenant work in accordance with PROJECT NO. \_\_\_\_\_, which requires Principal to file this bond to secure claims made in relation to the project.

NOW THEREFORE, we, \_\_\_\_\_, as Principal, and \_\_\_\_\_, a corporation organized under the laws of \_\_\_\_\_ and duly authorized to transact business in the State of California, as Surety, are held firmly bound unto the City of La Habra, as Obligee, and all sub-contractors, laborers, material persons and other persons employed in the performance of the referenced agreement, in the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), lawful money of the United States of America, for the payment whereof well and truly to be made the Principal and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

If the above bounden PRINCIPAL, his or its heirs, executors, administrators, successors, assigns, or any of his or its sub-contractors, fails to pay for any materials, provisions, provender, or other supplies, or teams, implements or machinery, used in, upon, for or about the performance of the work contracted to be done, or for any work or labor to persons named in Section 9100 or the Civil Code, thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such work or labor deducted, withheld and paid over to the Employment Development Department from the wages of employees of the contractor and sub-contractors pursuant to Section 13020 of the Unemployment Insurance Code, that the SURETY on this bond will pay the same, in an amount not exceeding the sum specified in this bond, AND ALSO, in case suit is brought upon this bond, a reasonable attorney's fee, which shall be awarded by the court to the prevailing party in said suit, said attorney's fee to be taxed as costs in said suit and to be included in the judgment herein rendered.

As part of the obligation secured hereby, the SURETY shall not be exonerated or released from the obligation of the bond by any change, alteration, or modification in or of any contract, plans, specifications, or agreement pertaining or relating to any scheme or work of improvement or pertaining or relating to the furnishing of labor, materials, or equipment therefor, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme of work of improvement, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under

any such contract or agreement, or under the bond, nor, where the bond is given for the benefit of claimants, by any fraud practiced by any person other than the claimant seeking to recover on the bond.

This bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under the Civil Code so as to give them a right of action in a suit on this bond.

This bond is executed for the purpose of complying with the laws of the State of California and shall inure to the benefit of any of the persons named in Section 9100 of the Civil Code of the State of California.

IN WITNESS THEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

(Corporate Seal)

\_\_\_\_\_  
Principal

By \_\_\_\_\_

\_\_\_\_\_  
Title

(Corporate Seal)

\_\_\_\_\_  
Principal

By \_\_\_\_\_

\_\_\_\_\_  
Title

APPROVED AS TO FORM:  
/s/ Keith F. Collins  
City Attorney

**FAITHFUL PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS:

That we, \_\_\_\_\_

\_\_\_\_\_ hereinafter referred to as

“Contractor”, as principal, and \_\_\_\_\_

\_\_\_\_\_ as surety, are held and firmly

bound unto City of La Habra in the sum of \_\_\_\_\_

\_\_\_\_\_ Lawful money of the United States of America for the payment of which sum well and truly to be made we bind ourselves jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that WHEREAS, said Contract has been awarded and is about to enter into the annexed contract with City of La Habra for construction of HVAC ductwork replacement as specifically set forth in the documents entitled:

**HVAC DUCTWORK REPLACEMENT  
AT 215 N EUCLID STREET  
CITY PROJECT NO. 3-B-26**

and is required under the terms of the Contract to give this bond in connection with the execution of said contract.

NOW, THEREFORE, if the said Contractor shall well and truly do and perform all of the covenants and obligations of said contract on his part to be done and performed at the times and in the manner specified herein, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect.

PROVIDED, that any alterations in the work to be done or the materials to be furnished which may be made pursuant to the terms of said Contract shall not in any way release either the Contractor or the surety thereunder nor shall any extensions of time granted under the provisions of said Contract release either the Contractor or the surety, and notice of such alterations or extensions of the Contract is hereby waived by the surety.

WITNESS our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Contractor

BY: \_\_\_\_\_

(Seal)

\_\_\_\_\_  
Title

APPROVED:

\_\_\_\_\_  
Surety

\_\_\_\_\_  
(Seal)

BY: \_\_\_\_\_

Mailing Address of Surety:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Telephone Number of Surety

**SUPPLEMENTAL INFORMATION TO BE COMPLETED BY PRINCIPAL**

If an individual, so state. If a firm or co-partnership, state the firm and give the names of all individual co-partners composing the partnership. If a Corporation, state legal name of corporation; state also the names of the president, secretary, treasurer and manager thereof.

PACIFIC WEST INDUSTRIES INC

PRESIDENT - KEVIN MARQUARDT

VICE PRESIDENT & SECRETARY - ROBYN MARQUARDT

Business Address:

1912 W BUSINESS CENTER DR

ORANGE CA 92867

Telephone Number: 866-328-2129

Date: 04/20/2026

Print Name: ROBYN MARQUARDT, CFO  
Principal

Signature:   
Title

**TAX IDENTIFICATION NUMBER**

The Tax Equity and Fiscal Responsibility Act of 1982 requires the payer (City of La Habra) to report to the Internal Revenue Service taxable payments to payees.

You (as a payee) are required by law to provide us with your Taxpayer Identification Number (if an individual or partnership, your Social Security Number). If you do not provide us with your correct identification number, you may be subject to a penalty imposed by the Internal Revenue Service. The payments subject to withholdings may include, but are not limited to, interest, dividends, or other payments the City of La Habra and/or the La Habra Redevelopment Agency made to you. Other payments may include rents, royalties, commissions and fees for service of non-employees.

If you are exempt from income tax, we are still required, by law, to maintain a Tax Identification Number on file. **PLEASE PROVIDE YOUR TAX IDENTIFICATION NUMBER next to the appropriate listing below, sign, date and return to:**

CITY OF LA HABRA FINANCE DEPARTMENT  
110 East La Habra Boulevard  
La Habra, CA 90631

Exempt: Yes \_\_\_ No X Telephone ( 866 ) 328-2129

CORPORATION: Yes, Tax ID 20-3153678

U.S.A. OR ANY AGENCIES THEREOF: \_\_\_\_\_

IRS CODE #501 TAX-EXEMPT ORGANIZATION: \_\_\_\_\_

A NON-COMMISSIONED CITY OF LA HABRA EMPLOYEE: \_\_\_\_\_

SOLE PROPRIETOR: \_\_\_\_\_

A PARTNERSHIP: \_\_\_\_\_

OTHER: \_\_\_\_\_ (Explain)

Signature/Title: *Rolyn Margueta* Date: 04/20/2026

**STATEMENT OF NON COLLUSION BY CONTRACTOR**

The undersigned who submits herewith to the City of La Habra a bid or proposal does hereby certify:

- a. That all statements of fact in such bid or proposal are true.
- b. That such bid or proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation.
- c. That such bid or proposal is genuine and not collusive or sham.
- d. That said bidder has not, directly or indirectly by agreement, communication or conference with anyone, attempted to induce action prejudicial to the interest of the City of La Habra or of any other bidder or anyone else interested in the proposed procurement.
- e. Did not, directly or indirectly, collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham bid or proposal, or that anyone should refrain from bidding or withdraw his bid or proposal.
- f. Did not in any manner, directly or indirectly seek by agreement, communication or conference with anyone to raise or fix the bid or proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of his bid or proposal price, or that of anyone else.
- g. Did not, directly or indirectly, submit his bid or proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member agent thereof, or to any individual or group of individuals, except to the City of La Habra, or to any person or persons who have a partnership or their financial interest with said bidder in his business.
- h. Did not provide, directly or indirectly to any officer or employee of the City of La Habra any gratuity, entertainment, meals, or anything of value, whatsoever, which could be objectively construed as intending to invoke any form of reciprocation or favorable treatment.
- i. That no officer or principal of the undersigned firm is related to any officer or employee of the city by blood or marriage within the third degree or is employed, either full or part time, by the City of La Habra either currently or within the last two (2) years.
- j. That no officer or principal of the undersigned firm nor any subcontractor to be engaged by the principal has been convicted by a court of competent jurisdiction of any charge of fraud, bribery, collusion, conspiracy or any other act in violation of any State or Federal antitrust law in connection with the bidding upon award of, or performance of, any public work contract, with any public entity, within the last three years.

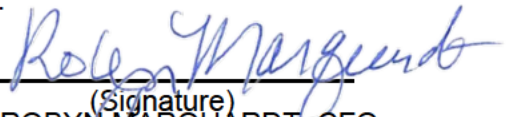
I certify, under penalty of perjury under the laws of the State of California, that the foregoing is true and correct and that this certification was executed:

On 04/20/26 at Orange California.

Firm PACIFIC WEST INDUSTRIES INC

Street 1912 W BUSINESS CENTER DR

City ORANGE State CA Zip 92687

  
(Signature)  
ROBYN MARQUARDT, CFO  
(Print Name & Title)

**EXHIBIT A**  
**SCOPE OF SERVICES**



Pacific West Industries, Inc.  
1912 W. Business Center Dr.  
Orange, CA 92867  
Tel 866.328.2129  
Fax 714.630.4049

**To:** City of La Habra  
110 E La Habra Blvd  
La Habra, CA 90631

**Date:** 4/2/26

**Number:** 201LHDDJ26

**Payment Terms:** Net 30

**Reference:** Project No. 3-B-26 HVAC Ductwork Replacement @ 215 N Euclid St.  
Pacific West Air Conditioning proposes to perform the following:

**Scope of Work:**

- Complete removal & replacement of all outdoor sheet metal ductwork for (4) RTU units, (1) Exhaust Fan, and (1) Swamp Cooler
- Apply duct sealant to all ductwork joints. All new ductwork shall include R8 insulation liner
- Provide temporary spot coolers inside the space to maintain suitable temperature in the building
- Provide & install all required materials, labor, tools and equipment necessary for removal & replacement
- All work & materials will comply with CA Building Code
- Ensure that roof conditions are adequately protected to avoid voiding roof warranty
- All existing roof duct supports to remain and be protected in place, reconnect to new ductwork
- Provide duct cleaning on all existing ductwork inside the space that shall remain in place
- Startup & test each piece of equipment upon completion of duct replacement
- Provide certified duct leakage and acceptance test report upon completion of replacement & startup
- Provide city permit with City of La Habra

**Total Base Price – (Labor, Material and Sales Tax).....\$64,850.00**

**Additional Items Included in Scope**

- All submittals & as-built drawings as required by City
- Any lift or equipment rentals required for working in referenced areas or setting new equipment
- All closeout documents, manuals, TAB report, warranty as required
- Follow all specifications per Invitation to Bid, City Project No. 3-B-26

**CA License Number: 792079**

**DIR Number: 1000002299**

Terms and conditions are part hereof

**ACCEPTANCE**

This proposal is subject to acceptance within 30 days from date of issuance.

Pacific West Industries thanks you for the opportunity to be of service. If you should have any questions, please feel free to call on me. My phone number is (866) 328-2129

Respectfully submitted,

**ACCEPTANCE:** Please sign and return one copy.

Devin Johnson  
Project Manager

BY \_\_\_\_\_

Print \_\_\_\_\_

DATE \_\_\_\_\_



**CONTROLS EXPERT**

## Pacific West Industries, Inc.'s General Terms and Conditions

The following terms and conditions apply to any and all sales, provision of equipment, services, goods or products sold by Pacific West Industries, Inc. ("PWI") to the Buyer of the same ("Buyer") unless otherwise specified in a writing signed by both PWI and Buyer. Inconsistent or additional terms in any documents provided by Buyer shall not alter these terms and conditions and shall impose no obligation on PWI.

1. **ASSENT TO QUALIFICATIONS.** The terms and conditions set forth herein shall supersede and control over any conflicting terms in any Subcontract, Prime Contract, Purchase Order, or any other contract documents. Buyer's agreement to the terms and conditions set forth herein shall be evidenced by Buyer's acceptance of PWI's Proposal, Buyer's signature on the Contract or Purchase Order issued to PWI, or by PWI's commencement of work or delivery of any product on the Project, whichever occurs first (the "Agreement").

2. **EQUIPMENT SUITABILITY:** All equipment is selected and sized by the specifications provided by Buyer and changes in conditions may require change(s) that may increase costs or render the equipment unusable. Statements regarding the suitability or compatibility of any equipment made by PWI's personnel or contained in PWI's documentation are based upon information from material suppliers or public sources and are believed to be accurate. However, this information should be considered only as a general guide. Buyer is ultimately responsible for determining the suitability of the equipment for its use. PWI shall not be bound by any plans and specifications or conditions, existing or otherwise, that have not been presented to or delivered to it, for the purpose of submitting its proposal, nor shall PWI be bound by any city ordinances, State laws or other governmental regulations not in effect at the time of submitting its proposal, or which had become obsolete, and which no longer were enforced by such public body enacting the same.

3. **ON-SITE CONSTRUCTION MEETINGS/FULL TIME SUPERINTENDENT/DAILY ACTIVITIES:** PWI employees are not onsite on a daily basis. PWI will not be required to attend any jobsite meetings unless specifically asked in writing 72 hours before the meeting commences and only on those occasions where the subject matter of the meeting involves PWI's work on the project. PWI personnel will only be required to attend that portion of the meeting that involves PWI's scope of work. Further, PWI will provide supervision for its work only and will not have a fulltime superintendent for any other purpose, including construction activities and safety. PWI will not be responsible to perform daily activities, including daily reports and cleanup.

4. **PERMITS AND LICENSES:** Unless otherwise agreed in writing by the parties, Buyer shall secure all licenses and permits, make all cash and other deposits, provide all bonds, and give all notices required either by law, regulation, ordinance, or permit in connection with any Work performed under the Agreement. Buyer agrees to pay, promptly when due, all license fees, assessments, and other taxes or charges (including any interest and penalties), now or hereafter imposed by any governmental body or agency upon any materials, supplies, equipment, or services provided by PWI pursuant to the Agreement.

5. **PREVAILING WAGES:** Unless otherwise agreed in writing by the parties, Buyer agrees that the Price excludes payment of Prevailing Wages and Buyer acknowledges that it has conducted its own independent investigation of whether the Work is subject to prevailing wage requirements or the requirements of the Davis-Bacon Act. Buyer has not relied upon any statements or representations by PWI with respect to such matters. In the event that PWI is required to pay higher prevailing wages or incur additional costs that PWI did not anticipate, Buyer shall reimburse PWI for all additional costs, including wages, fringes, per diem, liabilities, penalties, sanctions, fines, and attorney's fees incurred in the defense of non-compliance of the payment of Prevailing Wages.

6. **WASTE MANAGEMENT SERVICES:** The only responsibility of PWI for hazardous or non-hazardous substances, waste, soils, water or debris ("Waste") is to coordinate the pickup of Waste from Buyer's site by Buyer's designated transporter for transport to Buyer's designated treatment, storage and disposal facilities ("TSDF"). PWI has no independent discretion with regards to the selection of the TSDF or the transporter, and therefore, at no time shall the ownership of the Waste be transferred from Buyer and/or the Waste generator to PWI. Buyer shall, at all times, be solely responsible to obtain, maintain, and pay for any and all permits, licenses and handling fees arising or related to Buyer and/or generator's Waste generation, transportation and disposal.

7. **SALE AND INSTALLATION OF EQUIPMENT:** In the event of the sale and installation of goods, products and equipment ("Equipment") to Buyer, the following terms apply:

7.1 **Delivery:** Any and all goods, products and equipment ("Equipment") sold, rented or otherwise provided by PWI are delivered Free On Board at PWI's facility in Anaheim, CA 92807. Availability and/or delivery dates in any Proposal are approximate. Delivery of any item is conditioned upon PWI's prompt receipt of Buyer's specifications, final approved drawings, and any other details essential to the fulfillment of Buyer's order. Upon delivery of Equipment to PWI, PWI shall notify Buyer of its availability and Buyer shall promptly arrange to take delivery of the Equipment by PWI. Any storage of Buyer's Equipment at PWI's business location shall be entirely at Buyer's risk.

7.2 **Identification—Risk of Loss and Title:** Identification of the "goods" as that term is used in California Commercial Code Section 2501 shall include all Equipment. Identification of the Equipment shall occur at the moment the Agreement, Purchase Order or other instrument regarding the Sale of the Equipment is signed by the parties. Risk of loss of the Equipment shall pass to the Buyer on identification. Title to the Equipment shall remain with PWI until Buyer takes physical possession of the goods.

7.3 **Payment Terms:** Payments shall be made directly to PWI's office in accordance with the conditions stated in the applicable purchase order.

7.4 **Sales tax:** Sales tax is not included on the price quoted for Equipment.

7.5 **Work Schedule:** All work shall be performed during normal working hours as determined solely in PWI's discretion. PWI will be allowed reasonable time for performance of its work on the basis of regular eight hour working days, and in the event that Buyer requires PWI to perform labor on an overtime basis, then such additional expenses of every kind and character as PWI may incur on account of said overtime labor, shall constitute an additional charge.

7.6 **Work Site:** Buyer shall prepare the premises to permit free movement and erection of materials providing necessary openings, supports, cutting, public utility patching, and steam services and pay all fees and applicable taxes in accordance with codes and ordinances unless otherwise indicated in the Agreement. The Agreement presumes the existence of suitable conditions for the placement of all equipment, goods, and work required to be installed by PWI and the existence of conditions as per plans. It is also presumed that access shall be granted by Buyer in a method suitable to allow unhindered access to the work area for delivery of all materials and work by all persons required to perform the work herein contemplated. Any variance in the conditions shall require additional payment to be made by Buyer as determined by PWI based upon the conditions encountered and actual and administrative costs incurred.

7.7 **Change Orders:** No additional work not specified in the Agreement will be performed unless Buyer authorizes it in writing. If Buyer refuses to sign a written work authorization or change order for the extra work, PWI reserves the right to refuse to perform the extra work. Any extra work performed pursuant to a signed change order shall be subject to these terms and conditions.

7.8 **Repair of Defects:** Notwithstanding any provision in any plans, specifications, general conditions, or other contracts between Buyer and anyone else, PWI shall not be liable for the cost of correcting defects occasioned by the acts or omissions of anyone else to work performed by PWI. Before PWI proceeds with any corrective work to repair such damage, Buyer shall provide PWI with unqualified instructions to proceed with the work upon execution of a change order compensating PWI for such work.

7.9 **Disclaimer of Express Warranties:** PWI warrants that the goods are as described in this contract, but no other express warranty is made in respect to the goods. If any model or sample was shown to Buyer, that model or sample was used merely to illustrate the general type and quality of the goods and not to represent that the goods would necessarily conform to the model or sample.

**7.10 Disclaimer of Implied Warranties/Limited Warranty:** *On the condition that* the Equipment was operated, and maintained in accordance with PWI's instructions, PWI extends the manufacturer's standard warranties on all new equipment, misuse or abuse excepted, for a total period not to exceed one year from date of the completion of installation. PWI guarantees all repaired materials, parts and labor for a period of 90 days from the date of the completion of such repairs. There are no warranties, expressed or implied other than the above unless so noted herein. This limited warranty is void if the Equipment has been subject to misuse, tampering, neglect, accident, or unauthorized alterations or repairs. This limited warranty is void if the specifications provided by Buyer were not accurate or the actual operating requirements or conditions are different than the information provided to PWI. PWI makes no warranty for any Equipment provided by parties other than PWI.

**EXCLUSIONS: THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH ARE EXPRESSLY EXCLUDED OR DISCLAIMED. PWI SHALL NOT BE RESPONSIBLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER DAMAGES (INCLUDING WITHOUT LIMITATION LOSS OF PROFIT, RENT, INTEREST, OVERHEAD, OR ANY OTHER DELAY DAMAGES), WHETHER OR NOT PWI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS. PWI EXPRESSLY EXCLUDES AND DISCLAIMS LIABILITY FOR ANY DAMAGES RESULTING FROM THE USE, OPERATION, IMPROPER APPLICATION, MALFUNCTION OR DEFECT OF ANY EQUIPMENT COVERED BY THIS LIMITED WARRANTY. PWI'S MAXIMUM LIABILITY FOR ANY AND ALL DAMAGES AND LOSSES ARISING FROM ANY MALFUNCTION OF THE EQUIPMENT SHALL NOT EXCEED THE PRICE PAID FOR THE EQUIPMENT AND PWI SHALL NOT BE LIABLE FOR COSTS OF PROCUREMENT OF SUBSTITUTE EQUIPMENT BY BUYER.**

PWI's sole responsibility, and Buyer's exclusive remedy for breach of this limited warranty, shall be that at PWI's option, PWI will repair or replace the defective or nonconforming part(s) of the Equipment. However, PWI will not pay for the following items: shipping costs, transportation fees, taxes, certifications or any other item not specifically related to the necessary repair. Any claim based on the foregoing warranty must be submitted to PWI, in writing, within the Warranty Period and Buyer must have operated and maintained the Equipment in accordance with PWI's instructions and/or manual.

This warranty does not extend to any Equipment which has been subjected to abuse, misuse, neglect, involved in an accident, has been repaired or modified without prior written authorization from PWI, or has not been properly used, stored or maintained or used in violation of instructions provided by PWI. PWI shall not be liable for the corrosive or erosive action of liquids and/or gases upon the equipment specified, and no part of such equipment shall be deemed defective by reason of its failure to resist physical or chemical action of such elements or items upon such equipment.

No agent, employee, or representative of PWI has any authority to bind PWI to any affirmation, representation, or warranty concerning the Equipment sold to Buyer. No other express warranty is given and no affirmation of PWI, by words or action, will constitute a warranty. PWI's obligation is limited to the exchange of defective part(s) as specifically provided herein. PWI will not provide any other form of compensation in lieu thereof.

**7.11 Indemnity:** Buyer shall defend, indemnify, and hold PWI harmless from and against any and all lawsuits, claims, actions, proceedings or damages relating to PWI's services provided to Buyer, and from and against all costs, attorney's fees, expenses, and liabilities incurred in the defense of any such lawsuits, claims, actions, or proceedings. Should any such lawsuits, claims, actions, or proceedings be brought against PWI, Buyer shall, upon written notice from PWI, defend PWI at Buyer's expense by counsel reasonably satisfactory to PWI.

**7.12 Asbestos, Mold, and Other Hazardous Materials:** In the event that PWI encounters any asbestos product or material, mold, or other hazardous materials in the course of performing its work, PWI shall have the right to immediately discontinue its work, and remove its employees from the project, or that portion of the project wherein such product or materials were encountered, until such time as any hazards connected therewith are abated, encapsulated or removed and/or it is determined to PWI's satisfaction that no hazard exists; further, PWI shall receive an extension of time to complete its work and compensation for delays encountered and any costs incurred as a result. Buyer shall defend, indemnify and hold PWI harmless from any and all lawsuits, claims, actions, proceedings or damages arising from any allegation that PWI's work caused any damage, including but not limited to personal injury or property damage, through the release of any asbestos product or material, mold, or other hazardous materials.

**8. GENERAL TERMS:** The following terms apply in the event of sale, rental or usage of ("Equipment") by Buyer:

**8.1 Design Responsibility:** PWI assumes no responsibility for the design on those jobs where PWI prepares working or shop drawings from designs, unless it is affirmatively stated on the Agreement that PWI agrees to do so.

**8.2 Termination:** PWI may suspend further performance under this Agreement without notice for non-payment by Buyer or failure of Buyer to pay for execute or pay for change orders as provided herein. PWI may suspend further performance under this Agreement upon three days written notice to Buyer in the event Buyer is in breach of the Agreement for breach other than non-payment or failure to execute and pay for change orders. In the event PWI elects to suspend performance, upon Buyer bringing payments current, issuing proper change orders for extra work, or remedying a breach, PWI shall be entitled to remobilization costs, including profit and overhead. Such costs will equal actual losses sustained by PWI in terminating and restarting work.

**8.3 Credit Impairment:** If, in PWI's opinion, Buyer's credit becomes impaired, PWI may at its option suspend further performance under this Agreement until it has received full settlement or security for services rendered, and is satisfied as to Buyer's credit for further shipments. If Buyer fails or refuses to make such payment, or give such security, then the full amount due under this Agreement for labor, materials, and Equipment furnished shall immediately become due and payable and PWI shall have the right and the option to terminate this Agreement. In the event that a suspension of this contract is required because of Buyer's doubtful credit, an extension of time fixed for the performance of this Agreement equal to the time of such suspension shall automatically occur and PWI shall be entitled to remobilization costs, including profit and overhead. Such costs will equal actual losses sustained by PWI in suspending and restarting work. If any action is necessary to effect collection of any sums due hereunder, PWI shall be entitled to its costs, including reasonable attorney's fees, in addition to all other damages found to be due hereunder.

**8.4 Venue/Choice of Law:** Any and all disputes and/or actions arising from any breach of this Agreement shall be brought forth in the Superior Court of State of California in the County of Orange (which shall be deemed a convenient forum) and shall be resolved through the application of California Law. The parties to this Agreement expressly and irrevocably consent and submit to the jurisdiction of the courts of the State of California, County of Orange.

**8.5 Interest:** Any payment due from Buyer that is not paid when due shall bear interest at the lesser of 1.5% per month (18% per annum), or the maximum allowed by applicable law, from the original due date until paid in full. In addition to the right to collect interest, the failure or delay in any payment due PWI shall give PWI the right to repossess the Equipment and/or terminate any further obligation or performance due from PWI.

**8.6 Insurance:** no less than three (3) days before the date on which the Equipment is delivered to Buyer, Buyer shall, at its own cost and expense, provide PWI a certificate evidencing the issuance of comprehensive liability, fire, theft and property damage insurance, issued by insurance companies satisfactory to PWI and naming PWI as additional insured. The policy(ies) will be for primary coverage and will have limits of no less than: \$1 million per person; \$1 million per accident and \$1 million for equipment damage. The policy(ies) will provide that the insurer will not cancel or materially modify the insurance except on thirty (30) days' advanced written notice to PWI

Buyer shall also, at its own cost and expense, provide Builder's Risk insurance covering any loss or damage to PWI's work, materials, or equipment. PWI shall receive a share of any proceeds from such insurance sufficient to pay for any loss covered by the policy.

If Buyer fails to procure, maintain, or renew the required insurance, PWI may, but is not obligated to, obtain insurance for Buyer without prejudice to any other rights that PWI may have. PWI agrees to maintain in full force and effect a workman's compensation insurance policy.

**8.7 Force Majeure:** PWI shall not be liable in damages and has the right to terminate performance if its performance is delayed or prevented by conditions beyond its control including, but not limited to acts of God, Government restrictions, wars, insurrections and/or any other cause beyond the reasonable control of PWI. Failure of Buyer to make payments to PWI as required or other causes beyond the reasonable control of PWI shall automatically entitle PWI to reasonable or

necessary extensions of time to complete the work and to an equitable adjustment to the contract price to compensate PWI or all costs and expenses of additional labor, service, equipment or material and extended overhead resulting from any such delay. If any of the materials specified are not readily available, PWI may substitute equally efficient materials or fixtures of generally similar character in lieu of the equipment, materials or fixtures specified in the Agreement and Buyer shall pay PWI for any differential between the cost of the materials specified and the materials furnished.

**8.8 Notices:** Any notices required by these terms and conditions or otherwise as may be required by the applicable terms of an applicable purchase order and/or by law shall be made in writing and mailed by certified or registered mail, return receipt requested or delivered by a national overnight express courier service with proof of delivery confirmation to PWI as follows: Pacific West Industries, Inc., 4051 E. La Palma Ave. #A, Anaheim, CA 92807, or to any other address which PWI may otherwise particularly specify in writing, and to Buyer at the address listed on the applicable purchase order or agreement.

**8.9 Non-Assignable Interests:** Buyer acknowledges that its rights and remedies provided hereunder are personal to Buyer, and therefore no agreement, nor any goods or services provided pursuant to these terms and conditions, nor any part or portion may be assigned, sublicensed or otherwise transferred by Buyer to any third party without PWI's prior written consent, except for Equipment purchased and paid for by Buyer. PWI may assign this Agreement or any rights under it at any time without Buyer's consent and without notice to Buyer. In the event of any assignment, PWI's Assignee will have all the rights and remedies of PWI set forth in this Agreement.

**8.10 Severability:** Should any provision of these terms and conditions or any part of any resulting agreement be held to be void, invalid, unenforceable or illegal by a court, the validity and enforceability of all other provisions will not be affected thereby.

**8.11 Waiver:** Failure of any party to enforce any provision of this Agreement will not constitute or be construed as a waiver of such provision or of the right to enforce such provision or any future right to enforce such provision.

**8.12 Labor Relations:** PWI is not signatory to a Project Labor Agreement or Collective Bargaining Agreement and does not agree to become signatory or obligated to any such agreements in the performance of its scope of work or execution of its obligations pursuant to this Agreement. PWI's labor rates are not prevailing wage.

**8.13 Time:** Time is of the essence in the performance of the obligations under these terms and conditions.

**8.14 Dispute Resolution:** If a dispute arises out of or relates to this Agreement, the parties first shall endeavor to settle the dispute through direct discussions. If the dispute cannot be settled through direct discussions, the parties shall endeavor to come to resolution via mediation before resorting to litigation. Once one party files a request for mediation with the other contracting party, the parties agree to conclude such mediation within sixty days of filing of the request. The mediator may be selected jointly by the parties or through any dispute resolution organization. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if it would otherwise be awarded recovery of the same.

Buyer shall pay PWI all costs and expenses, including attorneys' fees, incurred by PWI in exercising any of its rights or remedies hereunder (albeit via arbitration, litigation or other procedures) or enforcing any of the terms, conditions, or provisions hereof including collecting any amount due from Buyer.

**8.15 Entire Agreement:** This instrument constitutes the entire agreement between PWI and Buyer; and it shall not be amended, altered or changed except by a written agreement signed by the parties hereto.

**8.16 Remedies Cumulative; No Waiver; Severability:** All remedies of PWI hereunder are cumulative and may, to the extent permitted by law, be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the PWI to exercise and no delay in exercising, any right or remedy, hereby shall operate as a waiver thereof; nor shall any single or partial exercise by PWI of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy. If any term or provision of this Agreement is found invalid, it shall not affect the validity and enforcement of all remaining terms and provisions. This Agreement contains all of the agreements, understandings, representations, conditions, warranties, and covenants made between the parties concerning this distributorship and supersedes and replaces all prior negotiations and proposed agreements. Each of the parties hereto acknowledges that no other party, or any agent, representative or attorney of any other party, has made any promise, agreement, covenant, representation or warranty whatsoever, express or implied, concerning the subject matter of this Agreement that is not contained in this Agreement. Neither party shall be liable for any representations made that are not set forth in this Agreement, and all modifications and amendments to this Agreement must be in writing. This Agreement may not be modified except in a writing signed by the parties. This Agreement may not be modified by an oral agreement, even if supported by new consideration

**EXHIBIT B**  
**SCHEDULE OF PERFORMANCE**

**Schedule of Performance:**

- Bid Opening..... Monday, April 6, 2026
- Agreement Due..... Monday, April 20, 2026
- Project Award by City Council..... Monday, May 4, 2026
- Bonds and Insurance Due..... Monday, May 11, 2026
- Notice to Proceed..... Monday, May 25, 2026
- Eighteen (10) Work Days..... Monday, May 25 to June 8, 2026
- Received Warranties and Closeout Document.... Friday, June 12, 2026

**EXHIBIT C**

**INSURANCE REQUIREMENTS**

## EXHIBIT C

### INSURANCE REQUIREMENTS

The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. If the existing policies do not meet the insurance requirements set forth herein, Contractor agrees to amend, supplement, or endorse the policies to do so.

Without limiting the indemnity provisions of this Agreement, Contractor shall procure and maintain in full force and effect during the term of this Agreement, the following policies of insurance.

#### 1. Minimum Scope and limit of Insurance

- A. **Commercial General Liability (CGL)** which affords coverage at least as broad as Insurance Services Office “occurrence” form CG 00 01, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

**Products-Completed Operations:** Contractor shall procure and submit to City evidence of insurance for a period of at least five (5) years from the time that all work under this Agreement is completed.

- B. **Automobile Liability Insurance** with coverage at least as broad as Insurance Services Office Form CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, coverage for hired autos (Code 8) and non-owned autos (Code 9) with limit no less than \$1,000,000 each accident for bodily injury and property damage.
- C. **Workers’ Compensation** as required by the State of California with statutory limits, and Employer’s Liability Insurance with a limit of not less than \$1,000,000 each accident for bodily injury and each employee for disease.
- D. **Surety Bonds:** Contractor shall provide the following Surety Bonds:
- (a) Performance Bond
  - (b) Payment Bond

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

#### 2. Endorsements

Insurance policies shall not be compliant if they include any limiting provision or endorsement contrary to this Agreement, including but not limited to restricting coverage to the sole liability of Contractor, excluding contractual liability or excluding third party over actions. The following endorsements shall be provided to the City.

**A. Commercial General Liability, Auto Liability and Contractors Pollution Legal Liability Policies:**

1. **Additional Insured:** The City, its elected officials, officers, employees, volunteers, boards, agents, and representatives (REVIEW ADDITIONAL INSUREDS FOR YOUR CITY) are to be covered as additional insureds for the liability and defense of suits or claims arising out of the work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations.

Commercial General Liability additional insured endorsements shall be at least as broad as ISO Form(s) CG 20 10 11 85; or both CG 20 10 or CG 20 26, and CG 20 37.

2. **Primary and Non-Contributory:** This insurance is primary to and will not seek contribution from any other insurance whether primary, excess, umbrella, or contingent insurance, including deductible, or self-insurance available to the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives (REVIEW INSUREDS FOR YOUR CITY) as additional insureds.

The Commercial General liability primary endorsements shall be at least as broad as ISO CG 20 01 04 13.

3. **Waiver of Subrogation:** Any right of subrogation against the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives (REVIEW INSUREDS FOR YOUR CITY) shall be waived.

**B. Workers' Compensation:**

1. **Waiver of Subrogation:** Any right of subrogation against the City, its elected officials, officers, employees, volunteers, boards, agents, and representatives (REVIEW INSUREDS FOR YOUR CITY) shall be waived.

**3. Insurance Obligations of Contractor**

The City requires and shall be entitled to the Contractor's broader coverage and/or the higher limits if Contractor maintains broader coverage and/or higher limits than the minimums shown above. Any available insurance proceeds excess of the specified minimum limits of insurance and coverage shall be available to the City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Contractor under this Agreement.

**4. Notice Of Cancellation**

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

5. **Waiver Of Subrogation**

Required insurance policies shall not prohibit Contractor from waiving the right of subrogation prior to a loss. The Contractor shall waive all rights of subrogation against the indemnified parties and policies shall contain or be endorsed to contain such a provision. This provision applies regardless of whether the City has received a waiver of subrogation endorsement from the insurer.

6. **Evidence Of Insurance**

All policies, endorsements, certificates, and/or binders shall be subject to approval by the City as to form and content. These requirements are subject to amendment or waiver only if approved in writing by the City. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. 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, 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.

7. **Self-Insured Retention**

Self-insured retentions (SIR's) must be declared to and approved by the City. The City may require Contractor to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the SIR. The policy language shall provide, or be endorsed to provide, that the SIR may be satisfied by either the named insured or the City. Self-insured retentions shall be the sole responsibility of Contractor, or subcontractor who procured such insurance. The City may deduct from any amounts otherwise due Contractor to fund the SIR. The policy must also provide that defense costs, including the allocated loss adjustment expenses, will satisfy the SIR.

8. **Contractual Liability**

The coverage provided shall apply to the obligations assumed by Contractor under the indemnity provisions of this Agreement.

9. **Failure To Maintain Coverage**

The Contractor agrees to suspend and cease all operations hereunder during such time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due until the Contractor has fully complied with the insurance provisions of this Agreement. If the Contractor's operations are suspended for failure to maintain required insurance coverage, Contractor shall not be entitled to an extension of time for completion of the work because of production lost during suspension.

10. **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 do business 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. Any other rating must be approved in writing by the City.

11. **Claims Made Policies**

If coverage is written on a claims-made basis, the retroactive date of such insurance and all subsequent insurance shall coincide or precede the effective date of Contractor's initial Agreement with the City and continuous coverage shall be maintained, or an extended reporting period shall be exercised for a period of at least ten (10) years from termination or expiration of this Agreement.

12. **Excess Umbrella Liability Policies**

If any excess or umbrella liability policies are used to meet the limits of liability required by this Agreement, then said policies shall be "following form" of the underlying policy coverage, terms, conditions, and provisions and shall meet all the insurance requirements stated in this Agreement, including, but not limited to the additional insured, primary & non-contributory and waiver of subrogation insurance requirements stated herein. No insurance policies or self-insurance maintained by the City, whether primary, reinsurance or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until Contractor's primary and excess/umbrella liability policies are exhausted.

13. **Insurance For Subcontractors**

Contractor shall be responsible for causing subcontractors to purchase the same types and limits of insurance in compliance with the terms of this Agreement, including adding the City as an additional insured, providing primary and non-contributory coverage and waiver of subrogation to the subcontractor's policies. Commercial general liability additional insured endorsements shall be as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 38 and CG 20 40.

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Project No. 3-B-26

**EXHIBIT D**

**CERTIFICATES OF INSURANCE AND ENDORSEMENTS**