

**AGREEMENT FOR PROFESSIONAL SERVICES
INPLANT INSPECTION SERVICES
Contract No. 20/21-08**

THIS AGREEMENT FOR PROFESSIONAL INSPECTION SERVICES (the "Agreement"), is made and entered into on March 9, 2021, by and between the LA CAÑADA UNIFIED SCHOOL DISTRICT OF LOS ANGELES COUNTY, CALIFORNIA, hereinafter referred to as "District", and NORTH AMERICAN TECHNICAL SERVICES, hereinafter referred to as "Inspector".

RECITALS:

A. It is the desire of the District to contract with North American Technical Services to furnish professional inspection services in connection with:

Two-Story Modular Building for Palm Crest Elementary School A# 03-121027 (the "Project"). For purposes of this Agreement, the Project shall include all miscellaneous work to be completed during the manufacturing phase and related thereto or reasonably inferable from the plans and specifications.

B. The District desires to retain the Inspector upon the terms and conditions hereinafter set forth, and the Inspector desires to accept said retention and will agree to perform the services hereinafter mentioned, upon said terms and conditions.

NOW THEREFORE for mutual and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereby agree as follows:

1. The term of this Agreement shall be for the duration of the manufacturing phase of the Project or until the building is delivered to the project site by the building manufacturer. The District currently anticipates the start of the Project to occur on or about April 1, 2021; provided that, in no event shall the foregoing be deemed to shorten the term of this Agreement or be deemed a representation, warranty or guarantee by the District that the Project will be commenced on such anticipated commencement date.

2. The Inspector shall, on behalf of the State of California and the District, furnish all required inspections necessary to complete the Project and perform all miscellaneous related work as assigned by the State of California Division of the State Architect (the "DSA") or the District (collectively, the "Services").

3. The Inspector shall provide all reports, certificates, drawings and other items and documentation required by the District, by law or by any of the Contract Documents in connection with the Project. Certain of such required reports, certificates and drawings are set forth on the attached Addendum for the Inspector's convenience; provided that, the Addendum shall not relieve the Inspector of the obligation to review the Contract Documents prior to executing this Agreement or of any of the terms, provisions or requirements of such Contract Documents, as the same may apply to the Inspector's services hereunder. The Contract Documents are hereby incorporated herein by this reference.

4. Upon completion of the Project, the Inspector shall provide an invoice to the District, which invoice shall itemize the work completed by the Inspector during the duration of the Project. Alternatively, Project Inspector shall provide a monthly invoice to the District, which invoice shall itemize the work completed by the Project Inspector on the assigned project during the pay period, each day (or portion thereof) billed by the Project Inspector, name of assigned inspector, and the number of hours worked on each day by the Project Inspector.

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6. Upon receipt of the invoice from the Inspector, the District shall pay to the Inspector, the amount invoiced for the work completed to date of the invoice, provided, however, that the total cost of all Services furnished by Project Inspector and its agents, consultants and independent contractors under this Agreement shall not exceed **FIFTY THREE THOUSAND EIGHT HUNDRED DOLLARS (\$53,800)** in the aggregate (the "Maximum Contract Amount"), as the total cost of all Services furnished by Inspector and its agents, consultants and independent contractors under this Agreement in accordance with the attached proposal dated February 3, 2021. The Inspector's acceptance of payment of the Contract Amount shall release the District from any and all financial claims of and liability to the Inspector for the Project. As a condition to the payment of the invoice, the Inspector shall submit conditional lien releases and waivers in the form provided by California Civil Code Section 3262 executed by Inspector and each independent contractor and consultant retained by the Inspector in connection with the Project hereunder with respect to all payments described in such invoice and unconditional lien releases and waivers in the form provided by California Civil Code Section 3262 executed by Inspector and each independent contractor and consultant retained by the Inspector in connection with the Project hereunder with respect to all previous payments made by the District. The Inspector shall pay all independent contractors and consultants retained by the Inspector no later than ten (10) days after the Inspector's receipt of payment from the District. The District shall pay the undisputed portion of all invoices within twenty (20) days after its receipt of the invoice. The District may offset against amounts payable to the Inspector hereunder any amounts owed to the District hereunder (including, without limitation, any damages or losses suffered by the District and covered by the Inspector's indemnification obligations hereunder).

7. The Inspector shall assume and absorb all ordinary expenses customarily incurred by inspector's performing services similar to the Services within the surrounding city where the manufacturing of the building will occur. Required expenses that are above the

ordinary customary expenses shall be governed by the agreement of the parties; provided that, except in cases of emergency, the Inspector shall notify the District of any such extraordinary expenses and obtain an agreement from the District with respect to the payment thereof prior to incurring the same.

8. The Inspector shall provide and maintain during the term of this Agreement such insurance coverages as may be required by law (including, without limitation, workers' compensation insurance if applicable to the Inspector) with limits of liability no less than the minimum limits required by law. The Inspector shall further provide and maintain during the term of this Agreement such insurance, with coverage amounts, in such forms and with such endorsements as may be reasonably required by the District in writing from time to time.

9. The Inspector shall hold and keep harmless, indemnify and defend the District, its Board and its officers, employees, agents, consultants, other independent contractors and representatives from and against every liability, claim, demand, cost, loss, damage or expense in law or equity that may at any time arise or accrue or be made by reason of injuries to or death of persons or damage to, loss of, or theft of property, including District's personnel and property, arising by reason of or in the course of the performance of this Agreement or by reason of any act or omission of the Inspector, its employees, agents, consultants or independent contractors; nor shall the District be liable or responsible for any accident, loss or damage, and the Inspector, at his own expense, cost and risk, shall defend any and all actions, suits or other legal proceedings that may be brought or instituted against the District, its Board or its officers, employees, agents, consultants, other independent contractors or representatives on any such claim or demand, and pay or satisfy any judgment that may be rendered against the District, its Board or its officers, employees, agents, consultants, other independent contractors or representatives in any such action, suit or legal proceedings. However, Inspector's liability for such damages, losses, costs or expenses shall be limited to those arising from the negligent or grossly negligent acts or omissions or willful misconduct of the Inspector or its employees, agents, consultants or independent contractors. The Inspector shall further hold and keep harmless, indemnify and defend the District, its Board and its officers, employees, agents, consultants, other independent contractors and representatives from and against every liability, claim, demand, cost, loss, damage or expense in law or equity that may at any time arise or accrue or be made by reason of the Inspector's failure or alleged failure to pay any of its agents, consultants or independent contractors.

10. The Inspector is and shall be at all times during the term of this Agreement an independent contractor and shall in no way be construed to be an officer, agent, employee, partner or joint venturer of the District.

11. The Inspector shall not assign or transfer this Agreement or any interests of Inspector herein without the prior written approval of the District. Any such attempt by the Inspector to assign or transfer this Agreement or any of its interests herein without District approval shall be void and of no force or effect. No individual person assigned to provide the

Services hereunder for the Project may be changed or substituted without the prior written consent of the Director of Facilities & Support Services of the District and the assigned Project Manager for such Project. Such consent may be given or withheld in each such person's sole and absolute discretion.

12. The Inspector, its agents, employees, consultants and independent contractors shall maintain the confidentiality of all information received in the course of performing the Services except as may otherwise be required by law or as may be required in connection with the proper performance of the Inspector's services hereunder. This requirement shall extend beyond the effective termination date of the Agreement indefinitely.

13. It is understood and agreed that this Agreement sets forth the entire understanding of the parties regarding the subject matter thereof (when read together with the attached Addendum) and no modification or amendment to this Agreement shall be binding unless said modification or amendment is in writing and duly executed by both parties with the same formality as this Agreement.

14. This Agreement may be terminated by either party for any or no reason at any time during the term of this Agreement by giving thirty (30) days written notice to the other party. Said notice shall be in writing, shall state the date of the proposed termination (which shall in no event be earlier than thirty (30) days from the date of delivery of such notice) and shall be delivered to the addresses listed for the respective parties. In such event, this Agreement shall terminate on the termination date set forth in the termination notice. Notwithstanding the foregoing, the District may terminate this Agreement upon less than thirty (30) days' written notice in accordance with Paragraph 19 below and either party may terminate this Agreement immediately upon the occurrence of a material default by the other party hereto. Upon any termination of this Agreement, the District shall pay to the Inspector all amounts earned and invoiced by the Inspector up to the termination date (subject to the District's offset rights hereunder) and the parties shall thereafter be released from all further obligations and liabilities under this Agreement except to the extent that any such obligations or liabilities expressly survive the termination of this Agreement. In the event of the occurrence of a material default of any party hereunder, the non-defaulting party shall have all rights and remedies at law and in equity with respect to such default.

15. The Inspector working hours shall be scheduled in a manner that will satisfy the work requirements defined by the District and as required by the Title 21 and Title 24 requirements of the California Administration Code.

16. Inspector agrees to perform additional services for the District above and beyond the minimum requirement if requested to do so by the District.

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18. The Inspector shall hire (or perform itself) any and all independent

contractors and/or consultants needed to produce a clerically smooth product for the District and for the Inspector's routine correspondence with the District. These clerical services shall be provided at no additional expense to the District and shall be paid from the Inspector's own resources and billings.

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21. The Inspector shall comply with all laws, ordinances, rules and regulations applicable to it or to the Project in the performance of the Services.

22. The Inspector shall cause the removal of any worker from the Project site when directed to do so by the District or any representative thereof. The District and all District projects are "drug-free" and "smoke-free" workplaces and, as such, require that all persons at the Project sites (including the Inspector) be subject to the requirements mandated by California Government Code Sections 8350, et seq. The Drug-Free Workplace Act of 1990 requires that every person or entity awarded a contract or grant for the procurement of any property or service from a State agency certify that it will provide a drug-free workplace and, in that respect, comply with certain obligations set forth in that Act. In addition, the Drug-Free Workplace Act provides that each contract or grant awarded by the State agency may be subject to suspension of payments or termination for failure to comply with such Act. The Inspector shall police and oversee any personnel working on the Project site for purposes of enforcing the Act.

23. The Inspector shall not engage in, or permit any employee, agent, independent contractor, consultant or other person that the Inspector may employ or retain to engage in, unlawful discrimination in the employment of any persons and shall not make employment decisions based on race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or gender.

24. All amounts not paid when due under this Agreement by either party shall bear interest at the rate of ten percent (10%) per annum.

25. If either party commences an action against the other party to enforce any of the terms of this Agreement because of the breach by the other party of any of the terms hereof, the prevailing party, in addition to any other relief to which such party may be entitled, shall be entitled to reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action. For purposes of this Agreement, the term "attorneys' fees" and "attorneys' fees and costs" shall mean the fees and expenses of counsel to the parties hereto, which may include printing, photostating, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and other persons not admitted to the bar but performing services under the supervision of an attorney.

26. The Inspector hereby represents, warrants and covenants that (i) at the

time of the execution of this Agreement, the Inspector has no interest and shall not acquire any interest in the future, whether direct or indirect, which would conflict in any manner or degree with the performance of the Services; and (ii) the Inspector shall not employ in the performance of the Services any person or entity having any such interest.

27. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

28. Time is of the essence in the performance of this Agreement.

29. Each party executing this Agreement represents that the persons executing this Agreement on behalf of such party hold the office and/or position in such legal entity respectively indicated hereinafter for them, and have full right and power and have been legally authorized to act on behalf of such legal entity in executing and entering into this Agreement on behalf of such party. Each individual executing this Agreement on behalf of a party represents that such individual is duly and legally authorized to execute this Agreement on behalf of such party.

30. Any communication, notice or demand of any kind whatsoever which either party may be required or may desire to give to or serve upon the other shall be in writing and delivered by personal service (including express or courier service), by electronic communication, whether by telex, telegram or telecopying (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested or by personal service) or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

Inspector: North American Technical Services
4713 Enterprise Ave, Suite 4
Modesto, CA 95356
Attention: David M. Kaestner

District: La Cañada Unified School District
4490 Cornishon Avenue
La Cañada, California 91011
Attention: Mark Evans (Mevans@lcsd.net)

Any party may change its address for notice by written notice given to the other in the manner provided herein. Any such communication, notice or demand shall be deemed to have been duly given or served on the date personally served, if by personal service, on the date of confirmed dispatch, if by electronic communication, or on the date shown on the return receipt or other evidence of delivery, if mailed.

IN WITNESS THEREOF, the parties hereto have set their hands on the day and in the month and year written below:

NORTH AMERICAN TECHNICAL SERVICES

LA CAÑADA UNIFIED SCHOOL DISTRICT

BY: David M. Kaestner  Digitally signed by David M. Kaestner
Date: 2021.02.04 11:01:40 -08'00'

BY: _____
Mark Evans
Associate Superintendent of Business & Administrative Services

Board Approved: _____

ADDENDUM

CONTRACT DUTIES OF IN-PLANT INSPECTOR

A. The in-plant inspection and material testing shall be accomplished under the supervision of the District Architect. The Inspector shall observe the manufacture of the modular building. The Inspector must maintain a copy of Title 24 - State Uniform Plumbing Code ("Title 24"), the State Uniform Mechanical Code, the State National Electric Code, and a copy of the State Uniform Building Code, State Accessibility Standards and Interpretive Regulations, at the Project at all times for the use of the Inspector, the District, the Project Architect and the DSA. All such codes shall be the most recent approved versions.

B. The Inspector shall maintain files containing the daily diary, the Inspector's copies of correspondence, daily reports, the contract form, an approved set of plans, specifications, addenda, and change orders, approved shop drawings, approved samples, welding records, steel tests, progress reports, and all other correspondence pertaining to the construction contract.

C. The Inspector shall produce three series of reports: a daily report, and the final completion report).

1. The Inspector shall maintain a daily report recording work done on the modular building; any interpretations of the Contract Documents made by the Inspector or Project Architect; weather conditions; the status of the Project; any and all deviations from the plans or specifications and the person informed of the corrective action required; and all other pertinent information. The Inspector shall submit copies of the daily report to the **District's Program Manager (Harold Pierre at hpierre@LCUSD.net)**.

2. The Inspector's final completion report shall be submitted upon completion of the manufacturing of the building and acceptance by the District. The report shall be submitted to the DSABOX folder of the Project, with a copy to the District and Project Architect.

D. The Inspector shall also notify the Project Architect of any unusual circumstances or events occurring during the manufacture of the building.

E. Notifications.

The Inspector shall notify the Building Manufacturer of any deviations from the approved plans and specifications and record such in the daily diary in accordance with Part I, Section 4-333 of "Inspection by Project Inspector" of Title 24. The Inspector shall not issue instructions to the Building Manufacturer that will result in a claim for extra compensation or an extension of contract time without the District's prior consent. Such orders will be issued only as

contract change orders from the Project Architect's office after proper approvals have been obtained, and any changes in contract price or time have been determined. All deviations from plans, specifications or codes shall require the Inspector to issue a "non-compliance" notice to the Building Manufacturer in writing. Copies of all such notices shall be distributed by the Inspector to the District, and Project Architect with a daily log kept for discussion and resolution at the construction meetings.

F. Shop Drawings.

The Inspector shall see that shop drawings and samples of certain materials, and satisfactory reports of tests of certain materials as required by the specifications and in the instructions to the Building Manufacturer are submitted to the Project Architect's office and are approved before the materials are incorporated in the work.

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H. Changes.

Changes in the plans and/or specifications may be requested by the District, DSA, the Project Architect, any engineer of record, the Inspector, or the Building Manufacturer. No deviations from the approved plans and specifications shall be permitted by the Inspector until the Inspector receives notification from the Project Architect that the change has been approved. The Building Manufacturer may be issued a "Change Order" to proceed with the change after necessary informal approvals have been obtained. A copy of the Change Order shall be sent to the Inspector and shall be the Inspector's authority to allow the Building Manufacturer to proceed with the change. The Inspector has no authority to order any changes in the plans, specifications or the contract or to authorize any change orders.

Any proposed change in the work of the contract shall be submitted on the standard change order form. Each change order, upon approval, becomes a complete supplemental Contract Document and therefore must be complete in every respect including the following:

- (a) Reference as to the party requesting the change.
- (b) Reason for the change.
- (c) A detailed description of the proposed change, listing the exact location and nature of the work or a clarification drawing attached and referenced on the face of the order.
- (d) Change in contract amount.
- (e) The amount and extension of contract time, if any (which shall be

determined jointly by the Project Architect, the District, the Inspector and Building Manufacturer).

I. Special Testing and Inspection.

The Inspector shall be familiar with the Testing and Inspection Sheet ("T&I Sheet") issued for the Project by the DSA and shall request special deputy inspectors as necessary and order special tests as required by the T&I Sheet, the District or the DSA. The Inspector shall transmit all such samples to the laboratory for analysis upon completion of all such tests and special inspections. The Inspector shall retain a copy of all results and shall transmit a copy of all results and each test or inspection to the DSA, the Project Architect, and the Program Manager.

J. Closeout Procedures.

1. When the manufacturing of the building is substantially complete, the Inspector shall notify the District, and Project Architect, and shall generate a "punch list" to be completed by the Building Manufacturer.

2. The Inspector shall confirm that all required tests have been performed and results are received by the District, and that the "punch list" is complete, and shall certify the completion of the manufacture of the building. The Inspector shall submit copy of Certified Welding Inspection Reports with completion report to the District and Architect. Before the building is removed from the plant for delivery to the project site, the Inspector and Architect shall determine that the building is acceptable and issue a written release, which shall be in the form of a Verified Report (Form SSS-6)

Final completion shall be as required per Title 24, California Administrative Code, Section 4-339.

North American Technical Services

By: David M. Kaestner Digitally signed by David M. Kaestner
Date: 2021.02.04 11:03:22 -08'00'

Title: President

Date: 02-04-2021

North American Technical Services

February 3, 2021

La Canada USD
4490 Cornishon Ave
La Canada, CA 91011

RE: **IN-PLANT INSPECTION SERVICES FOR RELOCATABLE CLASSROOM(S)-
Palm Crest Elementary School**

North American Technical Services is pleased to submit, for your review, our total cost proposal to perform D.S.A. in-plant inspection for the Relocatable Classrooms at American Modular, Manteca. The inspections shall be conducted according to the Division of the State Architects regulations and Title 24, C.C.R. School Buildings.

WORK TO INCLUDE:

- A. **IN-PLANT INSPECTION DSA#03-121027**
 In-Plant Inspector
 (AWS CWI QCI) Shop Welding and Fabrication
 Moment Frames & Foundation Embeds
 Wood Framing/Metal Stud
 Electrical
 Plumbing
 Mechanical
 Final Finish Inspection-Elevator not included

(1) One 126 x 36' 2-Story Classrooms w/ADA Toilet Rooms Eighteen 14 x 36 floors @ \$1,000.00/each	\$18,000.00
(1) One 196 x 36' 2-Story Classrooms Twenty-eight 14 x 36 floors @ \$1,000.00/each	28,000.00
(16) Sixteen concrete pours @ \$300.00/each	4,800.00
(3) Stairs, landings & skywalk	3,000.00
TOTAL.....	\$53,800.00

If our proposal is acceptable, please issue a purchase order at your earliest convenience. All required DSA documentation will be forwarded to the district, the district architect and DSA upon completion of the in-plant construction and receipt of DSA approved plans. If you have any questions, comments or wish additional information please call me at (209) 545-1108.



North American Technical Services, Inc.
David M. Kaestner

La Canada USD