

CONSTRUCTION CONTRACT

THIS CONTRACT is made this ____ day of May, 2023, by the **CITY OF GARDEN GROVE**, a municipal corporation, referred to as ("CITY"), **GARDEN GROVE HOUSING AUTHORITY**, and **H.L. MILLER, INC.**, hereinafter referred to as ("CONTRACTOR").

RECITALS:

1. The Contract is entered into pursuant to Garden Grove Council authorization, dated March ____, 2023.
2. CITY desires to utilize the services of CONTRACTOR to Furnish All Labor, Material, Equipment, Disposal, Prep, and Safety Measures for the interior office improvements at the building located at 11277 Garden Grove Boulevard, Garden Grove, CA per the Bid Specifications and per Attachment "A", Proposal.
3. CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 4.0 Compensation.** CONTRACTOR shall be compensated as follows: Compensation under this Contract shall be a Not To Exceed (NTE) amount of Eighty Eight Thousand Four Hundred Seventy Two Dollars and 12/100 cents (\$88,472.12) payable in arrears and in accordance with Bid Proposal (Attachment "A"), which is attached and is hereby incorporated by reference. Payment for work under this Contract shall be made per invoice or request for work completed subject to Section 4.11 hereof. All work shall be in accordance with the Bid, Interior Office Improvement Project 11277 Garden Grove No. 03-2023 and the Plans and Specification. For work under this Contract, payment shall be made per invoice for work completed. Within 45 day of delivery of goods or completion of performance of services, CONTRACTOR must promptly render an invoice to CITY or payment may be significantly delayed. For extra work not a part of this Contract, a written authorization by CITY will be required, and payment shall be based on schedule included in Scope of Work (Attachment "A").
- 4.1 General Conditions.** CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR'S investigation of all such matters and is in no way relying upon any opinions or representations of CITY. It is agreed that this Contract represents the entire Contract. It is further agreed that the Contract Documents including the Notice Inviting Bids, Special Instructions to Bidders, if any, Plans and Specifications, and Contractor's Proposal, are incorporated in this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract.

"Project" as used herein defines the entire scope of the work covered by all the Contract Documents. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to CITY's Engineer, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR'S own risk and expense. The decision of the Engineer shall be final.

4.2 Materials and Labor. CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by the CITY, to complete the project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, CITY may settle such claims by making demand upon the surety to this Agreement. In the event of the failure or refusal of the surety to satisfy said claims, CITY may settle them directly and deduct the amount of payments from the Contract price and any amounts due to CONTRACTOR. In the event CITY receives a stop notice from any laborer or material supplier alleging non-payment by CONTRACTOR, CITY shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

4.3 Project. The PROJECT is described as: **CITY OF GARDEN GROVE – INTERIOR OFFICE IMPROVEMENTS PROJECT 11277 GARDEN GROVE NO. 03-2023.**

4.4 Plans and Specifications. The work to be done is described in a set of detailed Plans and Specifications entitled: **CITY OF GARDEN GROVE – INTERIOR OFFICE IMPROVEMENT PROJECT 11277 GARDEN GROVE NO. 03-2023.**

Said Plans and Specifications and any revisions, amendments or addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference. The work to be done must also be in accordance with the General Provisions, Standard Specifications and Standard Plans of CITY which are also incorporated herein and referred to by reference.

4.5 Time of Commencement and Completion. CONTRACTOR agrees to commence the Project with **fourteen (14) calendar days** from the date set forth in the "Notice to Proceed" sent by CITY and shall diligently prosecute the work to completion within **Thirty-Five (35) working days**, excluding delays caused or authorized by the CITY as set forth in Sections 4.7, 4.8 and 4.9 hereof. The completion dates shall include any material delivery.

4.6 Time is of the Essence. Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR'S work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the work covered by this Contract with that of all other contractors, subcontractors and of the CITY, in a manner that will facilitate the efficient completion of the entire work in accordance with Section 4.5 herein. CITY shall have complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other

subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of CONTRACTOR on the premises.

- 4.7 Excusable Delays.** CONTRACTOR shall be excused for any delay in the prosecution or completion of the Project caused by acts of God; inclement weather; damages caused by fire or other casualty for which CONTRACTOR is not responsible; and act, neglect or default of CITY; failure of CITY to make timely payments to CONTRACTOR; late delivery of materials required by this CONTRACT to be furnished by CITY; combined action of the workers in no way caused by or resulting from default or collusion on the part of CONTRACTOR; a lockout by CITY; or any other delays unforeseen by CONTRACTOR and beyond CONTRACTOR'S reasonable control.

CITY shall extend the time fixed in Section 4.5 herein for completion of the Project by the number of days CONTRACTOR has thus been delayed, provided that CONTRACTOR presents a written request to CITY for such time extension within fifteen (15) days of the commencement of such delay and CITY finds that the delay is justified. CITY'S decision will be conclusive on the parties to this Contract. Failure to file such request within the time allowed shall be deemed a waiver of the claim by CONTRACTOR.

No claims by CONTRACTOR for additional compensation or damages for delays will be allowed unless CONTRACTOR satisfies CITY that such delays were unavoidable and not the result of any action or inaction of CONTRACTOR and that CONTRACTOR took all available measures to mitigate such damages. Extensions of time and extra compensation as a result of incurring undisclosed utilities will be determined in accordance with Section 9-103A of the State of California Department of Transportation Standard Specifications. The CITY'S decision will be conclusive on all parties to this Contract.

- 4.8 Extra Work.** The Contract price includes compensation for all work performed by CONTRACTOR, unless CONTRACTOR obtains a written change order signed by a designated representative of CITY specifying the exact nature of the extra work and the amount of extra compensation to be paid all as more particularly set forth in Section 4.9 hereof. CITY shall extend the time fixed in Section 4.5 for completion of the Project by the number of days reasonably required for CONTRACTOR to perform the extra work, as determined by CITY'S Engineer. The decision of the CITY'S Engineer shall be final.

4.9 Changes in Project.

- 4.9.1** CITY may at any time, without notice to any surety, by written order designated or indicated to be a change order, make any change in the work within the general scope of the Contract, including but not limited to changes:
- a. in the Specifications (including drawings and designs);
 - b. in the time, method or manner of performance of the work;
 - c. in the CITY-furnished facilities, equipment, materials, services or site; or
 - d. directing acceleration in the performance of the work.
- 4.9.2** A change order shall also be any other written order (including direction, instruction, interpretation or determination) from the CITY which causes any change, provided CONTRACTOR gives the CITY written notice stating the date,

circumstances and source of the order and that CONTRACTOR regards the order as a change order.

- 4.9.3** Except as provided in this Section 4.9, no order, statement or conduct of the CITY or its representatives shall be treated as a change under this Section 9 or entitle CONTRACTOR to an equitable adjustment.
- 4.9.4** If any change under this Section 4.9 causes an increase or decrease in CONTRACTOR'S actual, direct cost or the time required to perform any part of the work under this Contract, whether or not changed by any order, the CITY shall make an equitable adjustment and modify the Contract in writing. Except for claims based on defective specifications, no claim for any change under paragraph (4.9.2) above shall be allowed for any costs incurred more than 20 days before the CONTRACTOR gives written notice as required in paragraph (4.9.2). In the case of defective specifications for which the CITY is responsible, the equitable adjustment shall include any increased direct cost CONTRACTOR reasonably incurred in attempting to comply with those defective specifications.
- 4.9.5** If CONTRACTOR intends to assert a claim for an equitable adjustment under this Section 4.9, it must, within thirty (30) days after receipt of a written change order under paragraph (4.9.1) or the furnishing of a written notice under paragraph (4.9.2), submit a written statement to the CITY setting forth the general nature and monetary extent of such claim. The CITY may extend the 30-day period. CONTRACTOR may include the statement of claim in the notice under paragraph (4.9.2) of this Section 4.9.
- 4.9.6** No claim by CONTRACTOR for an equitable adjustment shall be allowed if made after final payment under this Contract.
- 4.9.7** CONTRACTOR hereby agrees to make any and all changes, furnish the materials and perform the work that CITY may require without nullifying this Contract. CONTRACTOR shall adhere strictly to the Plans and Specifications unless a change therefrom is authorized in writing by the CITY. Under no condition shall CONTRACTOR make any changes to the Project, either in additions or deduction, without the written order of the CITY and the CITY shall not pay for any extra charges made by CONTRACTOR that have not been agreed upon in advance in writing by the CITY. CONTRACTOR shall submit immediately to the CITY written copies of its firm's cost or credit proposal for change in the work. Disputed work shall be performed as ordered in writing by the CITY and the proper cost or credit breakdowns therefor shall be submitted without delay by CONTRACTOR to CITY.
- 4.10 Liquidated Damages for Delay.** The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 4.5 herein, plus the allowance made for delays or extensions authorized under Section 4.7, 4.8 and 4.9 herein, the CITY will sustain damage which would be extremely difficult and impractical to ascertain. The parties therefore agree that CONTRACTOR will pay to CITY the sum of two hundred and fifty dollars (\$250.00) per day for each and every calendar day during which completion of the Project is so delayed. CONTRACTOR agrees to pay such liquidated damages and

further agrees that CITY may offset the amount of liquidated damages from any moneys due or that may become due CONTRACTOR under the Contract.

4.11 Contract Price and Method of Payment. CITY agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum as itemized in the bid proposal. Progress payments shall be made to the CONTRACTOR per month for each successive month as the work progresses. The CONTRACTOR shall be paid such sum as will bring the total payments received since the commencement of the work up to ninety five percent (95%) of the value of the work completed, less all previous payments, provided that the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule. The CITY will retain five percent (5%) of the amount of each such progress estimate and material cost until 30 days after the recordation of the Notice of Completion.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the CITY'S Engineer, stating that the work for which payment is demanded has been performed in accordance with the terms of the Contract. Partial payments of the Contract price shall not be considered as an acceptance of any part of the work.

4.12 Substitution of Securities in Lieu of Retention of Funds. Pursuant to California Public Contract Code Section 22300, the CONTRACTOR will be entitled to post approved securities with the CITY or an approved financial institution in order to have the CITY release funds retained by the CITY to ensure performance of the Contract. CONTRACTOR shall be required to execute an addendum to this Contract together with escrow instructions and any other documents in order to effect this substitution.

4.13 Completion. CITY may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier in connection with Stop Notices, which have been filed under the provisions of the statutes of the State of California.

4.14 Contractor's Employee Compensation.

4.14.1 General Prevailing Rate. CITY has ascertained CONTRACTOR shall comply with all applicable requirements of Division 2, Part 7, Chapter 1 of the California Labor Code and all applicable federal requirements respecting the payment of prevailing wages. If there is a difference between the minimum wage rates predetermined by the Secretary of Labor and the prevailing wage rates determined by the Director of the Department of Industrial Relations (DIR) for similar classifications of labor, the CONTRACTOR and its Subcontractors shall pay not less than the higher wage rate. The DIR will not accept lower State wage rates not specifically included in the Federal minimum wage determinations. This includes "helper" (or other classifications based on hours of experience) or any other classification not appearing in the Federal Wage determinations. Where Federal wage determinations do not contain the State wage rate determination otherwise available for use by the CONTRACTOR and Subcontractors, the CONTRACTOR and its Subcontractors shall pay not less

than the Federal Minimum wage rate which most closely approximates the duties of the employees in question.

- 4.14.2 Forfeiture for Violation.** CONTRACTOR shall, as a penalty to the CITY, forfeit one hundred dollars (\$100.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.
- 4.14.3 Apprentices.** Section 1777.5, 1777.6 and 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices is applicable to this Contract and the CONTRACTOR shall comply therewith; provided, however, that this requirement shall not apply if and/or to the extent that the Contract of the general CONTRACTOR, or the contracts of specialty contractors not bidding for work through a general or prime contractor involves less than thirty thousand dollars (\$30,000.00).
- 4.14.4 Workday.** In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him thereunder except as provided in paragraph (4.14.1) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Sections 1810 et sep.) of the Labor Code of the State of California and shall forfeit to the CITY as a penalty, the sum of twenty-five dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.
- 4.14.5 Record of Wages: Inspection.** CONTRACTOR agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the Project and agrees to require that each of its subcontractors does the same. The applicable CONTRACTOR or subcontractor or its agent having authority over such matters shall certify all payroll records as accurate. CONTRACTOR further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. CONTRACTOR shall comply with all of the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3).

4.14.6 CONTRACTOR REGISTRATION: MAINTENANCE OF PAYROLL RECORDS: JOB SITE POSTING

4.14.6.1 **Contractor Registration.** CONTRACTOR and its subcontractors must be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5. This Contract shall not be effective until CONTRACTOR provides proof of registration to the CITY.

4.14.6.2 **Payroll Records.** CONTRACTOR shall maintain accurate payroll records and shall comply with all of the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3).

4.14.6.3 **Posting of Job Site Notices.** CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner pursuant to Title 8, California Code of Regulations Section 16461(e) or other regulation promulgated pursuant to Labor Code Section 1771.4(a)(2).

4.14.6.4 **Notice of DIR Compliance Monitoring and Enforcement.** Pursuant to Labor Code Section 1771.4, this Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

4.15 Surety Bonds. CONTRACTOR shall, upon entering into performance of this Contract, furnish bonds in the amount of one hundred percent (100%) of the Contract price bid, to guarantee the faithful performance of the work, and the other in the amount of one hundred percent (100%) of the Contract price bid to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and approved by the CITY. The Surety Company must have an AM Best rating of A- VII or better.

4.16 Insurance.

4.16.1 CONTRACTOR is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or undertake self-insurance with provisions of that Code and will comply with such provisions before commencing the performance of the work of this Contract.

4.16.2 CONTRACTOR and all subcontractors will carry and provide Workers' Compensation insurance for the protection of its employees during the progress of the work and provide Employers Liability in an amount not less than \$1,000,000. The insurer shall waive its rights of subrogation against the CITY, its officers, agents and employees and shall issue a certificate to the policy evidencing same.

4.16.3 For any claims related to this Contract, CONTRACTOR'S insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or

volunteers shall by excess of the CONTRACTOR'S insurance and shall not contribute with it.

4.16.4 Before CONTRACTOR performs any work at, or prepares or delivers materials to, the site of construction, CONTRACTOR shall furnish certificates of insurance and endorsements evidencing the foregoing insurance coverage and such certificates of insurance and endorsements shall provide the name and policy number of each carrier and that the insurance is in force and will not be cancelled without 30 days written notice to the CITY. CONTRACTOR shall maintain all of the foregoing insurance in force until the work under this contract is satisfactorily and fully completed to the satisfaction of the CITY. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of CITY by Contractor under Section 4.17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company having a Best's Guide Rate of A-, Class VII or better (claims made and modified occurrence policies are not acceptable).

4.16.5 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Contract until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Contract shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance. Contractor shall also provide a waiver of subrogation for each policy.

4.16.6 INSURANCE AMOUNTS. CONTRACTOR and all subcontractors shall maintain the following insurance in the amount and type for the duration of this Contract:

(a) Commercial general liability in an amount not less than \$1,000,000 per occurrence, and not excluding XCU; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

(b) Automobile liability in an amount not less than \$1,000,000 combined single limit; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

An Additional Insured Endorsement, **On-going and Products- Completed Operations**, for the policy under section 4.16.6 (a) shall designate the CITY OF GARDEN GROVE, their officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR.

CONTRACTOR shall provide to the CITY proof of insurance and endorsement forms that conform to the CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.16.6 (b) shall designate the CITY OF GARDEN GROVE, their officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to the CITY proof of insurance and endorsement forms that conform to the CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.16.6 (c) shall designate the CITY OF GARDEN GROVE, their officers, officials, employees, agents, and volunteers for this Contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to the CITY proof of insurance and endorsement forms that conform to the CITY's requirements, as approved by the CITY OF GARDEN GROVE.

For any claims related to this Contract, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers, for this Contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

4.17 Risk and Indemnification. All work covered by this Contract done at the site of the Project or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR agrees to save, indemnify and keep the CITY OF GARDEN GROVE, their Officers, Agents, Employees, Engineers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (CONTRACTOR'S employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by CONTRACTOR, save and except claims or litigation arising through the *active negligence* or sole willful misconduct of CITY and will make good to reimburse CITY for any expenditures, including reasonable attorneys' fees CITY may incur by reason of such matters, and if requested by CITY, will defend any such suits at the sole cost and expense of CONTRACTOR.

4.18 Termination.

4.18.1 This Contract may be terminated in whole or in part in writing by the CITY for its convenience, provided that the CONTRACTOR is given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination. Termination of contract shall conform to Section 8-1.11 of the State of California, Department of Transportation Standard Specifications.

4.18.2 If termination for default or convenience is effected by the CITY, an equitable adjustment in the price provided for in this Contract shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due to the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the CITY because of the CONTRACTOR'S default. The equitable adjustment for any termination shall provide for payment to the CONTRACTOR for services rendered and expenses incurred in accordance with section 8-1.11 of the State of California, Department of Transportation Standard Specifications.

4.18.3 Upon receipt of a termination action under paragraph (4.18.1) or (4.18.2) above, the CONTRACTOR shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the CITY all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the CONTRACTOR in performing this Contract whether completed or in process.

4.18.4 Upon termination under paragraphs (4.18.1) and (4.18.2) above, the CITY may take over the work and may award another party an agreement to complete the work under this Contract.

4.19 Warranty. The CONTRACTOR agrees to perform all work under this Contract in accordance with the CITY'S designs, drawings and specifications.

The CONTRACTOR guarantees for a period of one (1) year from the date of the notice of completion of the work that the completed work is free from all defects due to faulty materials, equipment or workmanship and that he shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs or any damage to other parts of the system resulting from such defects. The CITY shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, the CITY may do so and charge the CONTRACTOR the cost incurred. The performance bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR'S obligations under this clause are in addition to the CONTRACTOR'S other express or implied assurances provided under this Contract and in no way diminish any other rights that the CITY may have against the CONTRACTOR for faulty materials, equipment or work.

4.20 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, *each party shall be responsible for their own attorneys' fees, costs and necessary expenses.* If any action is brought against the CONTRACTOR or any subcontractor to enforce a Stop Notice or Notice to Withhold, which named the CITY as a party to said action, the CITY shall be entitled to all attorneys' fees, costs and necessary disbursements arising out of the defense or such action by the CITY. The CITY shall be entitled to deduct its costs for any Stop Notice filed, whether court action is involved or not.

4.21 Notices. Any notice required or permitted under this Contract may be given by ordinary mail at the address set forth below. Any party whose address changes shall notify the other party in writing.

- a. (Address of City is as follows):
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840
Real Property Division
Real Property Agent
- (with a copy to):
Garden Grove City Attorney
11222 Acacia Parkway
Garden Grove, CA 92840
- b. (Address of CONTRACTOR is as follows):
H.L. Miller, Inc.
Attention: Dan Buckley
2201 East Winston Road, Unit I
Anaheim, CA 92806

4.22 Appropriations. This Contract is subject to and contingent upon funds being appropriated therefor by the CITY for each fiscal year covered by the term of this Contract. If such appropriations are not made, this Contract shall automatically terminate without penalty to the CITY OF GARDEN GROVE.

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[AGREEMENT SIGNATURE BLOCK ON NEXT PAGE]

IN WITNESS THEREOF, these parties have executed this Contract on the day and year shown below.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____

**Lisa L. Kim, City
Manager/Director**

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"
H.L. Miller, Inc.

By: _____

Name: _____

Title: _____

Date: _____

Tax ID No.: _____

DIR Registration No.: _____

Expiration Date: _____

Contractor's Classification: _____

Contractor's License: _____

Expiration Date: _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to the CITY.

APPROVED AS TO FORM:

Garden Grove City Attorney

Date: _____

**ATTACHMENT "A"
CONTRACTOR'S PROPOSAL**

H.L. MILLER

Incorporated

A General Construction Company
2201 E. Winston Road, Unit 1, Anaheim, CA 92806
Phone: (714) 998-8699 | Email: hlmcinc@aol.com

PROPOSAL

Date	Proposal #
5/12/2023	2839

Name / Address
City of Garden Grove CA Attn: Paul Guero

Description	Total
JOB SITE: 11277 Garden Grove Blvd	88,472.12
<p>SCOPE OF WORK:</p> <p>1. Provide labor and materials to do the following work, based off the job walks and conceptual drawings provided by the City.</p> <p>a) Demo and Haul away approx 60 sq of floor tile in the lobby area. Remove four walls in the open area behind the lobby approx. 14' x 9', 10' x 9', 7' x 9' and 10' x 9'. Remove one 12' x 9' wall in office three. Remove one 8' x 9' wall in in office space. We will demo and haul off all materials.</p> <p>b) We will patch back all the locations where the removed walls were attached to the existing structure. We will match the existing finish and paint corner to corner.</p> <p>c) All the removed doors will be saved for reinstall in new locations later in this project.</p> <p>d) Any ceiling tiles that were damaged during the demo will be replace with new.</p> <p>e) Construct a new office / hallway just outside the Lobby 9.5' x 19' x 9' the new walls will match existing wall and terminate at the ceiling with splay bracing up through the ceiling to the substructure. The walls will be insulated, finished with drywall, textured and painted. The office will get one outlet on each new wall and one data drop on each new wall. We will install one of the saved doors for this office. The light fixtures will be isolated for this room with and a switch will be installed.</p> <p>f) We will frame in the end of the newlay created hallway to accommodate one of the saved doors in which we will install for access to the conferece room.</p> <p>g) We will separate the lights in the new conferecne room and install a new light switch to operate them. This new room will also get a new outlet in the new wall, to include one data drop.</p> <p>h) The Lobby will get a new counter and windows based on the concept drawings provided using the laminate and counter specs provided. We will install a saved door between the new lobby counter and an existing wall. Frame in the opening and install drywall. Finish the match existing and paint. The new Lobby counter will get two new outlets and one data drops.</p> <p>i) Construct a wall 10' x 9' to enclose an office. Insulate the wall and install drywall. Finish to match existing and paint. New wall will get one new outlet and data drop.</p> <p>j) Construct a 12' x 9' wall outside a restroom. Insulate the wall and install drywall, finish to</p>	
*Proposal does not include architectural engineering, plans, permits, or drawings.	Total

The cost, quantity, and scope of items in this proposal are an estimate and good for 60 days. If at any time the actual cost, quantity, or scope of the item varies more than 10 (ten) percent above or below the estimated cost, quantity, or scope, an equitable adjustment in the price shall be made upon demand of either party.

H.L MILLER

Incorporated

A (iene,...l Construction Comf>any
 2201 f. Winston Raacl, Unit l. Anaht:im, CA 92806
 Phone:(714)99&-.%991 Email: hlmclnc@aol.com

Proposal #

Nama / —
Coty oIGarclor1 GroYGCA A"":PaulG""""

lle&cripdon	TotM
<p>mal:he.<i>nopamNew Wā*IMI getone newO<Jttet and da:a drop. WlIwllinS1all wami<: floorlilo 10 tilin the!!!>fromllie existing tio to lho wall CQiof Mel style 10 be</p> <p>R) Fill inspaeeinextsq walls' x 7 ton0,,,,, nowdoor, lthe city..tl not be--!his doot (h>lf 'olew window).MiliCh existing jamb and cloorhar<lwore. on _ — Ir.iming. finioh """""""" existing wld paint</p> <p>D) Conoftud 0 17 X9' wd to anclo!6on ofllieeinsulaJa the MW wall and imUIIdrywall Finioll to """""" ox:olingand point. The new wal wilgelone new wae fano<ata<ltop. lholgh111dUres no - a ...M:l. We wllinsta.lone otthe UYecldools in Illis roe-wwall.</p> <p>CARF>ENTal..306Hc>uB at \$102/Hr =>\$31,41&.00 PAINTER88 Hauni o1S90. x ->57,964.00 Et.ECTRICAL:98K<>tm: at SSE 04IHt =ss,fl0Z92 ORYWALL: 180Hc"" at \$102.S0/Hr =>\$18,450.00 ESTIMATED MATERIALS1S.12200•10%• 1,Q34>0</p> <p>rr> J</p> <p>oon Bucldev. voce President</p>	
<p>'P!Oj)OSoll doos not <eltlOe archi'lecturalengineemg.plano. ponnmm..ordraMlgs.</p>	
] Total	saa•n. 12

The ity, cmJ <con<of jtonu m rlti< proposal•re..n .m,.. cmJ gooJf.,.6o days.lf"" ""Y tintt U.t
 """"d e.,,!"nity, or __. .f tJw, it<m: . mor< , , , , (rt t) pt:w:fc -""- or br/qw the
 !""""til)l,pr <<pt; . . ,<qtitGbl•Gdj""""""in the pria •!.dl br madt " ""!d.....md of ritlrf f""rty.
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