

ON-CALL PROFESSIONAL COATING INSPECTION SERVICES AGREEMENT

This On-Call Professional Coating Inspection Services Agreement ("Agreement") is made and entered into as of April 9, 2024 ("Effective Date") by and between the City of North Las Vegas, a Nevada municipal corporation, ("City"), and Industrial Inspection Group Inc., an Arizona Corporation, ("Consultant").

RECITALS:

1. The City is currently working on an Apex Elevated Tank and a tank rehabilitation project for Carlton #3 Reservoir, on which coating inspections are needed on an on-call basis. The City currently has one inspector with a NACE Level I certification, however, the inspector has no coating inspection experience. Industrial Inspection Group coating inspectors will be available for training, coating oversight, and performing inspections as needed if our inspector is sick or on vacation.
2. The City desires to obtain the quality professional services of a consultant to perform coating inspection services, training, and post construction services during the work on the various construction and rehabilitation of City owned reservoir projects ("Project").
3. The Consultant represents that it has the appropriate experience, knowledge, labor, training, and skill to provide the services in accordance with generally accepted industry standards, and is willing and able to perform the Project.

Now, therefore, in consideration of the above recitals and mutual promises contained herein, the parties hereto agree to the following terms, conditions and covenants set forth in Sections I through XII hereof.

SECTION I - RESPONSIBILITY OF CONSULTANT

In addition to any other responsibilities of Consultant set forth in this Agreement, Consultant shall have the following responsibilities:

- A. The Consultant shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by the Consultant, by Consultant's subconsultants, and by any of the principals, officers, employees and agents of Consultant or any subconsultant under this Agreement. In performing these services, Consultant shall follow practices consistent with generally accepted professional inspection and materials testing standards of care. The Consultant shall without additional compensation, promptly correct and revise any errors or deficiencies in its design, drawings, specifications, reports and other services, or in any portion of the Project performed by Consultant's subconsultants. Approval by the City of any products or services furnished by Consultant shall not in any way relieve the Consultant of responsibility for the professional and technical accuracy of its services.

- B. Consultant shall assign Greg Sprinkle, whose NACE license number is 5417, as the Project Manager. All of the services specified by this Agreement shall be performed by the Project Manager, or by Consultant's associates, employees and subconsultants under the personal supervision of the Project Manager. Should the Project Manager be unable to complete his or her responsibility for any reason, the Consultant shall notify the City in writing, and within four (4) calendar days thereafter, nominate a replacement for City approval, in its reasonable discretion, who has an equivalent amount of experience performing the same type of services as required for the project. An approved replacement shall be assigned to the Project within ten (10) calendar days.
- C. In accordance with NRS 338.140, the Consultant shall not produce a design and/or specification for the Project which would limit the bidding, directly or indirectly, to any one specific concern unless a unique or novel product application is required to be used in the public interest, or only one brand or trade name is known to the City. The City shall be notified of and must pre-approve any sole source proposals.
- D. Consultant and any subconsultant shall furnish City with a preliminary draft of any proposed correspondence to any federal, state or other regulatory agency for the City's review and approval at least seven (7) calendar days prior to mailing such correspondence.
- E. The Consultant agrees that its officers, partners, employees, and subconsultants will cooperate with the City in the performance of services under this Agreement and will be available for consultation with City at such reasonable times with advance notice as to not conflict with other responsibilities.

SECTION II - RESPONSIBILITY OF CITY

- A. The City will cooperate with Consultant in the performance of services under this Agreement and will be available for consultation with Consultant at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services to be performed by Consultant under this Agreement are subject to periodic review by the City. For those documents submitted to the City by the Consultant with regard to the Project, the City will examine and respond in writing to the Consultant within seven (7) calendar days of receipt of such documents. It is understood that City comments upon review of the Consultant's documents do not relieve Consultant from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

SECTION III - SCOPE OF SERVICES

Services to be performed by the Consultant shall consist of the Basic Services described in Exhibit "A"

SECTION IV - CHANGES TO SCOPE OF SERVICES

- A. The City may at any time, but only by written order, make changes within the general scope of this Agreement and in the services or work to be performed. If such changes cause a significant increase or decrease in the Consultant's cost or time required for performance of any services under this Agreement, the Parties shall formally amend this Agreement. Any claim of Consultant for adjustment under this clause must be asserted in writing within thirty (30) calendar days from the date of receipt by the Consultant of notification of changes by the City, or such claim shall be deemed waived by Consultant and Consultant will be deemed to have agreed to the changes without modification of the compensation or time of performance hereunder.
- B. No additional compensation shall be paid, and no increase in the time of performance shall be awarded, to the Consultant for changes in scope of work without the prior written authorization of the City to proceed with such changes.
- C. No additional compensation shall be paid to Consultant for additional costs or delay due to the negligence or intentional acts of Consultant or any subconsultant or any of the officers, employees, or agents of Consultant or any subconsultant.

SECTION V – INTENTIONALLY OMITTED

SECTION VI - SUBCONSULTANTS

Consultant agrees to include in all professional service subcontracts in connection with performance of the terms and obligations imposed under this Agreement provisions in substantially the following form:

- A. Consultant agrees to pay the subconsultant when Consultant is paid for the subconsultant's portion of the work by the City and, upon written request by the City, to obtain and provide to City lien releases from the subconsultant for such payment.
- B. The subconsultant does not have any rights against the City.
- C. The subconsultant agrees to be bound by all terms, conditions and obligations of Consultant under this Agreement. Consultant shall provide a copy of this Agreement to each subconsultant.
- D. City has the right in its reasonable discretion to approve every subconsultant prior to such subconsultant's performance of any portion of the Project.
- E. The term "subconsultant" as used herein, also means a sub-subconsultant.

SECTION VII - TERM OF AGREEMENT

This Agreement commences upon the Effective Date and shall end one (1) year after the date the City makes final payment to the Consultant for services rendered under this Agreement, unless this Agreement is terminated earlier by the City.

SECTION VIII - COMPENSATION AND TERMS OF PAYMENT

A. TOTAL COMPENSATION

1. The City shall pay the Consultant an amount for each of the tasks described in Exhibits "A" as follows:

<u>Task</u>	<u>Basic Services</u>	<u>Time & Material Amount</u>
1.	Coating Inspection Services	\$40,000.00
2.	Punch List Inspection and 1 Year Anniversary Inspection	<u>\$ 5,000.00</u>
	Subtotal	\$45,000.00
	Grand Total Not-to-Exceed	<u>\$45,000.00</u>

B. TERMS OF PAYMENT

1. Subject to the City's right to dispute any charges, the City shall make payments to the Consultant for services performed as follows:
 - (a) The City shall make payments for completed Basic Services on a Time and Material basis in accordance with the pricing provided in Exhibit A.
2. Payment to the Consultant under Section VIII.A.1 shall be made within thirty (30) calendar days of the date City receives each invoice provided by the Consultant to the City, provided that such invoice is complete, correct, and undisputed by the City, and that it contains the following information:
 - (a) With respect to payments for Basic Services, the Consultant shall prepare and submit to the City a written invoice of costs for the work completed during the invoice period. The invoice amount shall be determined on a Time and Material basis in accordance with the pricing provided in Exhibit "A" and shall be supported by backup documentation detailing labor costs and other expenses directly related to the authorized work.
3. The City shall have fourteen (14) calendar days after receipt of an invoice to dispute any or all of the charges on the invoice. Undisputed amounts shall be paid

to the Consultant within thirty (30) calendar days of the date the City receives the invoice. Disputed amounts shall be resolved through the Dispute Resolution mechanism in Section XII.O.

4. If the City fails to pay the Consultant an undisputed amount within thirty (30) calendar days after the date the City receives the invoice, the City may be assessed one-half of one percent ($\frac{1}{2}\%$) of the undisputed amount each month, not to exceed \$1,000 total for the Project.
5. Billings shall be submitted during the first week of each month for work performed during the preceding month. Invoices shall conform to the format provided by the City.

SECTION IX - TIME OF PERFORMANCE

Consultant shall commence work immediately following written notice to proceed by the City. Work shall be completed as stated in the written notice to proceed for each on-call service needed.

If the Consultant's performance of services is delayed, Consultant shall notify the City's representative in writing of the reasons for delay and prepare a revised schedule for performance of services and submit the revised schedule to the City's representative. If the Consultant is delayed, the City shall have the right to retain from monthly payments up to ten percent (10%) of subsequent invoices until such time as the Consultant has complied with the schedule or presented an acceptable plan for compliance with the schedule.

No additional time shall be given to Consultant for delay due to the negligence or intentional acts of Consultant or any subconsultant or any of the officers, employees, or agents of Consultant or any subconsultant.

SECTION X - AUDIT: ACCESS TO RECORDS

- A. The Consultant shall maintain books, records, documents and other evidence directly pertinent to performance under this Agreement in accordance with generally accepted accounting principles and practices. The Consultant shall also maintain the financial information and data used by the Consultant in the preparation or support of the invoices, and a copy of the cost summaries and invoices submitted to the City. The City or any of its duly authorized representatives shall have access to such books, records, documents and other evidence for the purpose of inspection, audit and copying. The Consultant will provide proper facilities for such access and inspection.
- B. Audits conducted pursuant to this provision shall be in accordance with generally accepted auditing standards and established procedures and guidelines for the reviewing or audit agencies.

- C. The Consultant agrees to the disclosure of all information and reports resulting from access to records pursuant to paragraph "A" above, to any Project funding agency provided that the Consultant is afforded the opportunity for an audit exit conference and an opportunity to comment and submit any supporting documentation on the pertinent portions of the draft audit report.
- D. Records pursuant to paragraph "A" above shall be maintained and made available during performance under this Agreement and until three (3) years from date of final payment for the Project. In addition, those records which relate to any dispute resolution, litigation or appeal, or the settlement of claims arising out of such performance, or costs or items to which an audit exception has been taken, shall be maintained and made available until three (3) years after the date of resolution of such dispute, litigation, appeal, claim or exception. This Section X.D. shall survive the completion of the Project and the termination or expiration of this Agreement.
- E. Public Records Act. Pursuant to NRS 239.010, each and every document provided to the City is a "public record" open to inspection and copying by any person, except for those documents otherwise declared by law to be confidential. The City shall not in any way be liable to Consultant for the disclosure of any public record. In any event the City is required to defend an action with regard to a public records request for documents submitted by Consultant, Consultant agrees to indemnify, hold harmless, and defend the City from all damages, costs, and expenses, including court costs and attorney fees, in any action or liability arising under or because of the Nevada Public Records Act, NRS 239.010. This Section X.E. shall survive the completion of the Project and the termination or expiration of this Agreement.
- F. The Consultant agrees to include language substantially similar to the language of paragraphs "A" through "E" of this section in all Consultant subcontracts directly related to performance of services specified in this Agreement which are in excess of \$10,000.00.

SECTION XI - REPRESENTATIONS

Consultant hereby represents for the benefit of City, in addition to any other representations made in this Agreement, with the knowledge and expectation of City's reliance thereon, as follows:

- A. Consultant is a duly formed and validly existing corporation and is in good standing pursuant to the laws of the State of Nevada and has the full power, authority and legal right to execute, deliver and perform under this Agreement.
- B. The execution and delivery of this Agreement, the consummation of the transactions provided for herein, and the fulfillment of the terms hereof on the part of Consultant will not result in a breach of any instrument to which Consultant is a party or by which Consultant is bound or of any judgment, decree or order of any court or governmental body or any law, rule or regulation applicable to Consultant.

- C. The execution, delivery and performance of this Agreement and the taking of all other lawful actions necessary to consummate the Project contemplated hereunder, by the persons executing, delivering and performing the same on behalf of Consultant, have been duly and validly authorized (and by their execution hereof or of any document delivered in connection with the Project contemplated hereunder such persons individually represent and warrant that they are so authorized), and this Agreement and the other agreements and instruments contemplated hereby, constitute legal, valid and binding obligations of Consultant, enforceable in accordance with their respective terms.
- D. No consent, approval or authorization of any governmental authority or private party is required in connection with the execution of this Agreement by Consultant.
- E. The Consultant's Project Manager is a NACE Senior Certified Coatings Inspector, whose credentials are in full force and effect. Consultant has obtained any and all licenses, certificates and permits that are required to be obtained by Consultant by the Nevada Revised Statutes and the Nevada Administrative Code, and by any other law, rule, regulation or ordinance applicable to Consultant and to the performance of the Project by Consultant.
- F. Consultant is duly licensed and authorized to do business in the City, and Consultant's business license is in full force and effect.
- G. Consultant is a sophisticated and qualified Consultant, whose personnel possess the level of professional expertise and experience that is necessary to properly perform the Project within the required time period, with an appropriate level of diligence, skill and care, and pursuant to the terms, specifications and conditions of this Agreement. Consultant has the necessary personnel, equipment, tools, supplies, materials, and facilities to properly perform the Project within the required time period, with an appropriate level of diligence, skill and care, and pursuant to the terms, specifications and conditions of this Agreement.
- H. Consultant is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete the Project within the time period required by this Agreement, and to perform its obligations under this Agreement.
- I. Consultant shall require that each subconsultant performing any portion of the Project:
 - 1. Is duly formed, in good standing, and authorized to do business in the State of Nevada;
 - 2. Is a duly licensed engineer, as the case may be, with the State of Nevada, and such license or certificate of registration is in full force and effect;
 - 3. Has obtained any and all licenses, certificates and permits that are required to be obtained by subconsultant by the Nevada Revised Statutes and the Nevada Administrative Code, and by any other law, rule, regulation or ordinance applicable

to subconsultant and to the performance of any part of the Project by subconsultant;

4. Is duly licensed and authorized to do business in the City, and such business license is in full force and effect; and
 5. Shall comply with all laws, rules, regulations and ordinances, as such may be amended, supplemented or modified from time to time, that are applicable to subconsultant and any portion of the Project performed by subconsultant.
- J. This Agreement may be signed in counterparts, each of which shall be deemed to be an original and all such counterparts together shall constitute one and the same original. Facsimile or electronic signatures shall be binding on the parties hereto as if they were original signatures.

The representations made by Consultant herein shall survive the completion of the Project and the termination or expiration of the Agreement.

SECTION XII - MISCELLANEOUS PROVISIONS

A. SUSPENSION:

City may suspend performance by Consultant under this Agreement for such period of time as City, in its sole discretion may prescribe, by providing written notice to Consultant at least seven (7) calendar days prior to the date on which City wishes to suspend such performance. Upon such suspension, City shall pay Consultant compensation based on percentage of Project completion, earned until the effective date of suspension less all previous payments. Consultant shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from City to resume performance. In the event that City suspends performance by Consultant for any cause other than the error or omission of the Consultant for an aggregate period in excess of thirty (30) calendar days, Consultant shall be entitled to an equitable adjustment of the compensation payable to Consultant under this Agreement to reimburse Consultant for additional costs occasioned as a result of such suspension of performance by City. In no event will the City be liable to the Consultant for more than \$2,000.00.

B. TERMINATION:

The City may terminate this Agreement, with or without cause, upon fourteen (14) calendar days prior written notification of the termination to the Consultant. Notification to the Consultant of such termination shall be sent by the City in accordance with Section XII.V.

In the event of termination, the City agrees to pay the Consultant the reasonable value for all work and services performed to the date of termination in accordance with the Section entitled "Compensation and Terms of Payment" of this Agreement.

C. FISCAL FUNDING OUT:

The City reasonably believes that sufficient funds can be obtained to make all payments during the term of this Agreement. Pursuant to NRS Chapter 354, if the City does not allocate funds to continue the function performed by Consultant obtained under this Agreement, this Agreement will be terminated when appropriate funds expire in accordance with Section XII.B.

D. OWNERSHIP OF DOCUMENTS:

The Consultant agrees that all documents of any kind whatsoever, and in whatever medium expressed, prepared by the Consultant and the Consultant's subconsultants in connection with the Project or otherwise pursuant to this Agreement (collectively, the "Documents") and all rights therein (including without limitation trademarks, trade names, rights or use and reuse, copyrights and/or all other proprietary rights) shall be and remain the sole property of the City (regardless of whether the City or Consultant terminates this Agreement for any reason whatsoever). The Consultant hereby agrees that the Documents are or shall be deemed to be "Works for Hire" within the meaning of Section 101 of the Copyright Act, and the Consultant hereby assigns to the City all right, title, and interest therein. If for any reason the Documents should not be considered a "Work for Hire" under applicable law by a court or other tribunal of competent jurisdiction, then it is mutually agreed that under this Section XII.D, the Consultant shall hereby be deemed to have transferred to the City, its successors and assigns, the Consultant's entire right, title and interest in and to the Documents and the legal rights therein including, but not limited to, copyright, included therein.

The Consultant further agrees that neither it nor any of its employees shall exercise any of the rights embodied in the copyrights in or to such Documents, unless authorized to do so by the City under the terms of a separate written agreement executed by the Consultant and the City. The Consultant shall place a conspicuous notation upon each such Document that indicates that the copyright thereto is owned by the City.

City agrees to waive any and all claims against the Consultant resulting from the City's use, reuse, or alteration by any new consultant or other agent of the City, of the Documents. The Consultant shall be entitled to retain a reproducible copy of the Documents furnished to the City; however, the Consultant shall not sell, license, or otherwise market the Documents in any way.

1. Confidentiality. The plans, drawings, specifications and other documents (including, without limitation, design concepts and sketches, test results, evaluations, reports and studies) (including the magnetic or electronic media of the aforementioned documents) which are prepared or assembled by the Consultant, or its subconsultants, under this Agreement shall not be made available to any individual or organization without the prior written consent of the City. Except for marketing pamphlets and submittals to clients, the Consultant shall not publish, submit for publication, or publicly display the Project without the written consent of the City. The obligations of confidentiality shall survive the termination of this Agreement.

2. Contractual Rights. Notwithstanding the provisions of this Section XII.D, the City is hereby licensed to use all design concepts developed by the Consultant and subconsultants under this Agreement, including the right to construct derivative works of the Project, and to use the design concepts for other projects of the City. Provided, that however, none of the documents or materials are intended or represented by Consultant to be suitable for reuse by the City, or others on extension of the Project or on any other project. Any reuse without written verification or adaptation by Consultant for the specific purpose intended will be at City's sole risk. The design concepts include, but are not limited to, the form, aesthetic appeal, site layout, the arrangement and composition of spaces and elements, the use of colors and materials, system designs, construction methods and interior design.

E. INSURANCE:

The Consultant shall procure and maintain, and shall cause each subconsultant to procure and maintain, at its own expense, during the entire term of this Agreement, the following insurances:

1. Workers' Compensation Insurance. Such insurance must be provided by an insurance company authorized to provide workers' compensation insurance in Nevada by the Nevada Department of Business and Industry, Division of Insurance. Such insurance must protect Consultant and City from employee claims based on Project-related sickness, disease or accident.
2. Commercial General Liability (bodily injury and property damage). This insurance shall protect the consultant, its agents, and vehicles assigned to the prosecution of work under this Agreement in a policy limit of not less than \$1,000,000 for combined single limit per occurrence. Consultant's General Liability insurance policies shall be endorsed as to include the City as an additional insured. Automobile Insurance policy limit of \$1,000,000 or more.
3. Professional Liability Insurance (errors and omissions coverage). This is required for the protection from claims arising out of performance of professional services caused by a negligent act, error, or omission for which the insured is legally liable; such Professional Liability insurance will provide for coverage in an amount of not less than \$1,000,000 for each claim and \$2,000,000 in the aggregate for the period of time covered by this Agreement. Consultant will provide City thirty (30) calendar days' notice in writing of any cancellation of, or material change in, the above described policy.
4. The Consultant's Commercial General Liability and Auto Liability Insurance policies shall automatically include or be endorsed to cover Consultant's contractual liability to the City, to waive subrogation against the City, its officers, agents, servants and employees, and to provide that the City will be given thirty

(30) calendar days' notice in writing of any cancellation of, or material change in, the policies.

5. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer and licensed by the State of Nevada. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed \$250,000 without the written approval of the City.
6. Certificates indicating that such insurance is in effect shall be delivered to the City before work is begun under this Agreement. If the Consultant is underwritten on a claims-made basis, the retroactive date shall be prior to or coincident with the date of this Agreement, and the Certificate of Insurance shall state that coverage is claims-made and the retroactive date. Consultant shall provide the City annually with a Certificate of Insurance as evidence of such insurance. It is further agreed that the Consultant and/or Insurance Carrier shall provide the City with 30-day advance written notice of policy cancellation of any insurance policy required to be maintained by Consultant.

F. INDEMNITY:

Notwithstanding any of the insurance requirements set forth in Section XII.E, limits of liability set forth therein, or not in lieu thereof, the Consultant shall:

1. **Claims Not Based Upon or Arising out of Professional Services.** The Consultant shall defend, indemnify, and hold the City, its Mayor, Councilpersons, officers, employees, and agents (herein the "Indemnitees"), harmless from any and all claims (including, without limitation, patent infringement, and copyright claims), damages, losses, expenses, suits, actions, decrees, judgments, arbitration awards, or any other form of liability (including, without limitation, reasonable attorney fees and court costs) (collectively herein the "Claims") to the extent that such Claims are caused by the negligence, errors, omissions, recklessness, or intentional misconduct of the Consultant, its employees, subcontractors, agents, or anyone employed by the Consultant's subcontractors or agents (herein the "Consultant Parties"), which are not based upon or arising out of the professional services performed by the Consultant Parties in the performance of this Agreement.

As part of its obligation hereunder, the Consultant shall, at its own expense, defend the Indemnitees against the Claims brought against them, or any of them, which is caused by the negligence, errors, omissions, recklessness, or intentional misconduct of the Consultant, its employees, subcontractors, or agents, for and against which the Consultant is obligated to indemnify the Indemnitees pursuant to this Section, unless the Indemnitees, or any of them elect to conduct their own defense which, in such case, shall not relieve the Consultant of its obligation of indemnification set forth herein. If the Consultant or the Consultant's insurer fails to defend the Indemnitees as required herein, the Indemnitees shall have the right, but not the obligation, to defend the same and, if the Consultant is adjudicated by

the trier of fact to be liable, the Consultant agrees to pay the direct and incidental costs of such defense (including reasonable attorney fees and court costs) which is proportionate to the liability of the Consultant.

2. **Claims Based Upon or Arising out of Professional Services.** The Consultant shall indemnify and hold the Indemnitees, harmless from any and all claims (including, without limitation, patent infringement and copyright claims), damages, losses, expenses, suits, actions, decrees, judgments, arbitration awards, or any other form of liability (including, without limitation, reasonable attorney fees and court costs) (collectively herein the "Professional Liability Claims") to the extent that such Professional Liability Claims are caused by the negligence, errors, omissions, recklessness, or intentional misconduct of the Consultant Parties, which are based upon or arising out of the professional services performed by the Consultant Parties in the performance of this Agreement.

If the Consultant Parties are adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid by the Consultant to the Owner, as reimbursement for the attorney's fees and costs incurred by the Owner in defending the Professional Liability Claims, in an amount proportionate to the liability of the Consultant.

As used in this Section XII.F., "agents" means those persons who are directly involved in and acting on behalf of the City or the Consultant, as applicable, in furtherance of the Agreement. This Section XII.F. shall survive the completion of the Project and the termination or expiration of this Agreement until such time as the applicable statutes of limitation expire.

G. ASSIGNMENT:

This Agreement shall inure to the benefit of, and be binding upon, the Parties hereto and their respective successors and assigns. The Consultant shall not assign, sublet or transfer its interest in this Agreement without the prior written approval of the City representative. Nothing contained herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

H. WAIVER:

No consent or waiver, express or implied, by either party to this Agreement or of any breach by the other in the performance of any obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach by such party hereunder. Failure on the part of any party hereto to complain of any act or failure to act on the other party or to declare that other party in default hereunder, irrespective of how long such failure continues, shall not constitute a waiver of the rights of such party hereunder. Inspection, payment, or tentative approval or acceptance by the City or the failure of the City to perform any inspection hereunder, shall not constitute a final acceptance of the work or any part thereof and shall not release Consultant of any of its obligations hereunder.

I. DESIGNATION OF REPRESENTATIVE:

The Director of Public Works or the Director's authorized representative is hereby designated as the City's representative with respect to the work to be performed under this Agreement. Said representative shall have complete authority to transmit instructions, receive information, and interpret and define the City's policies and decisions with respect to the services of the Consultant.

J. CONSULTANT'S EMPLOYEES:

The Consultant shall be responsible for maintaining satisfactory standards of employee competency, conduct and integrity, and shall be responsible for taking such disciplinary action with respect to its employees as may be necessary. In the event that Consultant fails to remove any employee from the contract work whom the City deems incompetent, careless or insubordinate, or whose continued employment on the work is deemed by the City to be contrary to the public interest, the City reserves the right to require such removal as a condition for the continuation of this Agreement.

K. INDEPENDENT CONTRACTOR:

It is hereby expressly agreed and understood that in the performance of the services provided herein, the Consultant and any other person employed by Consultant hereunder shall be deemed to be an independent contractor and not an agent or employee of the City. This Agreement is not intended to create, and shall not be deemed to create, any partnership, joint venture or other similar business arrangement between City and Consultant.

L. APPLICABLE LAW:

This Agreement shall be construed and interpreted in accordance with the laws of the State of Nevada.

M. COMPLIANCE WITH LAWS:

The Consultant shall in the performance of its obligations hereunder comply with all applicable laws, rules, regulations, and ordinances of all governmental authorities having jurisdiction over the performance of this Agreement, including, without limitation, the Federal Occupational Health and Safety Act and all state and federal laws prohibiting and/or related to discrimination by reason of race, sex, age, religion or national origin.

The Consultant further agrees to insert this provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

N. PROHIBITION AGAINST CONTINGENT FEES:

The Consultant warrants that no person or entity has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

O. DISPUTE RESOLUTION:

Disputes concerning standards of performance, time of performance, scope of work, compensation or terms specified in the Agreement shall be resolved in the following manner:

1. The City's representative and the Consultant's Project Manager will endeavor to conduct good faith negotiations in an effort to resolve any and all disputes in a timely manner.
2. If any disputes between the Parties remain unresolved after thirty (30) calendar days, the City's representative and the Consultant's Project Manager shall, within fourteen (14) calendar days, prepare a brief, concise written report summarizing the:
 - (a) basis for the dispute,
 - (b) negotiations accomplished and results thereof, and
 - (c) current status of all relevant unresolved issues.

Copies of each written summary shall be exchanged between the City's representative and the Consultant's Project Manager, and provided to the City's Public Works Director and the Consultant's Project Manager. Within thirty (30) calendar days thereafter, the City's Public Works Director, or his designee, and the Consultant's Project Manager will meet to resolve the dispute. A written record of these negotiations will be made. The record will summarize:

- (a) all issues of dispute,
- (b) the resolutions to resolved issues, and
- (c) unresolved issues, if any.

The written record will be reviewed by the City's Public Works Director or his designee, and the City's Public Works Director or his designee, will render a determination regarding such dispute.

3. If the Consultant disagrees with the determination of the City's Public Works Director, or his designee, the Consultant may only initiate an action in the Eighth Judicial District Court in and for Clark County to resolve such dispute. The City retains the right to all remedies available in law or equity. The Parties agree that no dispute under this Agreement shall be submitted to or resolved through arbitration or mediation.

P. ATTORNEY'S FEES:

In the event any action is commenced by either Party against the other in connection herewith, the prevailing Party shall be entitled to its reasonable costs and expenses, including reasonable attorney's fees, as determined by the court. This Section XII.P shall survive the completion of the Project and the termination or expiration of this Agreement.

Q. SITE INSPECTION:

Consultant represents that Consultant has visited the Project location and is satisfied as to the general condition thereof and that the Consultant's compensation as provided for in the Agreement is just and reasonable compensation for performance hereunder including reasonably foreseen and foreseeable risks, hazards and difficulties in connection therewith based on such above-ground observations.

R. SEVERABILITY:

In the event that any provision of this Agreement shall be held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain valid and binding on the Parties hereto.

S. AMENDMENTS:

This Agreement may only be modified by a written Amendment that is executed by both Parties hereto.

T. FINAL INTEGRATION:

This Agreement is fully integrated and constitutes the entire agreement and understanding between the Parties concerning the subject matter of this Agreement. This Agreement supersedes all other oral and written negotiations, agreements and understandings of any and every kind relating to the subject matter of this Agreement.

U. CONSTRUCTION:

In the event of any dispute regarding any provision of this Agreement, the terms of this Agreement shall not be construed more strongly against or in favor of either party. The

parties acknowledge that each has participated equally in the negotiation and drafting of this Agreement.

V. NOTICE:

Any notice required to be given hereunder shall be deemed to have been given when sent to the party to whom it is directed by personal service, hand delivery or U.S. certified mail, return receipt requested, at the following addresses:

To City: John Fitch, P.E.
City of North Las Vegas
Utility Department
2250 Las Vegas Blvd. N., Ste. 243
North Las Vegas, NV 89030

To Consultant: Gregory Sprinkle, NACE Level III
Industrial Inspection Group, Inc.
4802 East Ray Road #23-116
Phoenix, AZ 89044

W. HEADINGS:

The headings of the various Sections of this Agreement have been inserted only for convenience, and shall not be deemed in any manner to modify or limit any of the provisions of this Agreement, or to be used in any manner in the interpretation of this Agreement.

X. CONFIDENTIALITY:

Consultant shall treat all information relating to the Project and all information supplied to the Consultant by the City as confidential and proprietary information of the City and shall not permit its release by Consultant's employees to other parties or make any public announcement or release without the City's prior written authorization. Consultant shall also require subconsultants and vendors to comply with this requirement.

Y. PUBLIC RECORDS:

Pursuant to NRS 239.010 and other applicable legal authority, each and every document provided to the City may be a "Public Record" open to inspection and copying by any person, except for those documents otherwise declared by law to be confidential. The City shall not be liable in any way to the Provider for the disclosure of any public record, including but not limited to documents provided to the City by the Provider. In the event the City is required to defend and action with regard to a public records request for documents submitted by the Provider, the Provider agrees to indemnify, hold harmless, and defend the City from all damages, costs, and expenses, including court costs and


reasonable attorney's fees related to such public records request. This section XII.Y shall survive the expiration or early termination of the Agreement.


[The remainder of page is intentionally left blank. Signature page to follow.]

In Witness Whereof, the Parties have caused this Agreement to be executed the day and year first above written.

City of North Las Vegas
a Nevada municipal corporation

Industrial Inspection Group Inc.
an Arizona corporation

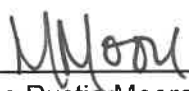
By: 
Ryann J. J. J. J. J.
City Manager

By: 
Chad Kauffman,
AMPP Senior Certified Coatings Inspector
COO / Owner

Attest:

By: 
Jackie Rodgers
City Clerk

Approved as to Form:

By: 
Micaela Rustia-Moore
City Attorney

INDUSTRIAL INSPECTION GROUP, INC.

COATING INSPECTION AND CONSULTING SERVICES

APRIL 2, 2024

JOHN FITCH
CITY OF NORTH LAS VEGAS
2250 LAS VEGAS BLVD N
NORTH LAS VEGAS, NV 89030

RE: CITY OF NORTH LAS VEGAS, NEVADA
ON-CALL INSPECTION SERVICE
AMPP COATING INSPECTION

MR. FITCH,

PLEASE ACCEPT THE PROVIDED PROPOSAL FOR AMPP (FORMALLY NACE) INSPECTION SERVICES FOR THE CITY OF NORTH LAS VEGAS. PLEASE SEE BELOW A GENERALIZED SCOPE OF WORK, ADDITIONAL ITEMS CAN BE INCLUDED IF SO DESIRED.

SCOPE OF WORK MAY INCLUDE:

1. INSPECTION AND DOCUMENTATION OF SURFACE PREPARATION (PRE AND POST).
2. DOCUMENT ENVIRONMENTAL CONDITIONS WHILE ONSITE.
3. DOCUMENT DFT READINGS THROUGHOUT THE COATING PROCESS AS REQUIRED.
4. VISUALLY INSPECT FOR DEFICIENT AREAS (RUNS/SAGS/HOLIDAYS), MARKING ALL LOCATED DEFICIENT AREAS FOR REPAIR AND WITNESSING THE REPAIRS AS REQUIRED.
5. CONDUCT HOLIDAY TESTING AS REQUIRED, HIGH VOLTAGE.
6. PROVIDE A WRITTEN PDF REPORT OF INSPECTION.

PROPOSED PRICING:

LOCATION/DESCRIPTION	UNIT TYPE	UNIT COST
AMPP CERTIFIED COATINGS INSPECTOR (LAS VEGAS, NEVADA) (LABOR, UP TO 8 HOURS PER DAY)	DAILY	\$1,250.00
PROFESSIONAL SERVICES (AMPP SCCI OR PCS CONSULTING)	HOURLY	\$150.00
PER DIEM (LODGING, ME&I, AND VEHICLE)	DAILY	\$400.00
TRAVEL (AIRFARE OR DRIVE TO LOCATION)	ROUNDTRIP	\$750.00

THANK YOU FOR THE OPPORTUNITY AND LOOK FORWARD TO WORKING WITH YOU ON THIS PROJECT.

RESPECTFULLY SUBMITTED,



CHAD KAUFFMAN
AMPP SENIOR CERTIFIED COATINGS INSPECTOR # N-8458
SSPC PSC: 2020-115-315