

CONSTRUCTION CONTRACT

ORCHARD LANE SEWER REPLACEMENT

1. Parties and Date.

This Contract is made and entered into this _____ day of _____, _____ by and between the City of Merced, a public agency of the State of California ("City") and Mid Cal Pipeline & Utilities, Inc., a California Corporation with its principal place of business at 6931 Mariposa Way, Merced, CA 95341 ("Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. Recitals.

2.1 City. City is a public agency organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by the City on the terms and conditions set forth in this Contract. Contractor represents that it is duly licensed and experienced in providing services such as: the laying of sanitary sewer lines, jack and bore steel casing and construction of sanitary sewer manholes and related construction services to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California, and that it is familiar with the plans of City. The following license classifications are required for this Project: **Class _A_**

2.3 Project. City desires to engage Contractor to render such services for the ("Insert Project Name") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a performance bond, a payment bond, and all insurance documentation, as required by the Contract.

3. Terms

3.1 Incorporation of Documents. This Contract includes and hereby incorporates in full by reference the following documents, including all exhibits, drawings, specifications and documents therein, and attachments and addenda thereto:

- Services/Schedule (Exhibit "A")

- Plans and Specifications (Exhibit "B")
- Special Conditions (Exhibit "C")
- Contractor's Certificate Regarding Workers' Compensation (Exhibit "D")
- Public Works Contractor Registration Certification (Exhibit "E")
- Payment and Performance Bonds (Exhibit "F")
- Addenda
- Change Orders executed by the City
- Latest Edition of the Standard Specifications for Public Works Construction (Green Book), Excluding Sections 1-9
- Notice Inviting Bids, if any
- Instructions to Bidders, if any
- Contractor's Bid

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately complete the Project, including all structures and facilities necessary for the Project or described in the Contract (hereinafter sometimes referred to as the "Work"), for a Total Contract Price as specified pursuant to this Contract. All Work shall be subject to, and performed in accordance with the above referenced documents, as well as the exhibits attached hereto and incorporated herein by reference. The plans and specifications for the Work are further described in Exhibit "B" attached hereto and incorporated herein by this reference. Special Conditions, if any, relating to the Work are described in Exhibit "C" attached hereto and incorporated herein by this reference.

3.2.1 Change in Scope of Work. Any change in the scope of the Work, method of performance, nature of materials or price thereof, or any other matter materially affecting the performance or nature of the Work shall not be paid for or accepted unless such change, addition or deletion is approved in writing by a valid change order executed by the City. Should Contractor request a change order due to unforeseen circumstances affecting the performance of the Work, such request shall be made within five (5) business days of the date such circumstances are discovered or shall waive its right to request a change order due to such circumstances. If the Parties cannot agree on any change in price required by such change in the Work, the City may direct the Contractor to proceed with the performance of the change on a time and materials basis.

3.2.2 Substitutions/"Or Equal". Pursuant to Public Contract Code Section 3400(b), the City may make a finding that designates certain products, things, or services by specific brand or trade name. Unless specifically designated in this Contract, whenever any material, process, or article is indicated or specified by grade, patent, or proprietary name or by name of manufacturer, such Specifications shall be deemed to be used for the purpose of facilitating the description of the material, process or article desired and shall be deemed to be followed by the words "or equal."

Contractor may, unless otherwise stated, offer for substitution any material, process or article which shall be substantially equal or better in every respect to that so indicated or specified in this Contract. However, the City may have adopted certain uniform standards for certain materials, processes and articles. Contractor shall submit requests, together with substantiating data, for substitution of any "or equal" material, process or article no later than thirty-five (35) days

after award of the Contract. To facilitate the construction schedule and sequencing, some requests may need to be submitted before thirty-five (35) days after award of Contract. Provisions regarding submission of "or equal" requests shall not in any way authorize an extension of time for performance of this Contract. If a proposed "or equal" substitution request is rejected, Contractor shall be responsible for providing the specified material, process or article. The burden of proof as to the equality of any material, process or article shall rest with Contractor.

The City has the complete and sole discretion to determine if a material, process or article is an "or equal" material, process or article that may be substituted. Data required to substantiate requests for substitutions of an "or equal" material, process or article shall include a signed affidavit from Contractor stating that, and describing how, the substituted "or equal" material, process or article is equivalent to that specified in every way except as listed on the affidavit. Substantiating data shall include any and all illustrations, specifications, and other relevant data including catalog information which describes the requested substituted "or equal" material, process or article, and substantiates that it is an "or equal" to the material, process or article. The substantiating data must also include information regarding the durability and lifecycle cost of the requested substituted "or equal" material, process or article. Failure to submit all the required substantiating data, including the signed affidavit, to the City in a timely fashion will result in the rejection of the proposed substitution.

Contractor shall bear all of the City's costs associated with the review of substitution requests. Contractor shall be responsible for all costs related to a substituted "or equal" material, process or article. Contractor is directed to the Special Conditions (if any) to review any findings made pursuant to Public Contract Code section 3400.

3.3 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **60 working days**, beginning the effective date of the Notice to Proceed ("Contract Time"). Contractor shall perform its Work in strict accordance with any completion schedule, construction schedule or project milestones developed by the City. Such schedules or milestones may be included as part of Exhibits "A" or "B" attached hereto, or may be provided separately in writing to Contractor. Contractor agrees that if such Work is not completed within the aforementioned Contract Time and/or pursuant to any such completion schedule, construction schedule or project milestones developed pursuant to provisions of the Contract, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages the sum of **\$3,500 per day** for each and every calendar day of delay beyond the Contract Time or beyond any completion schedule, construction schedule or Project milestones established pursuant to the Contract.

3.4 Standard of Performance; Performance of Employees. Contractor shall perform all Work under this Contract in a skillful and workmanlike manner, and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Work. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of

whatever nature that are legally required to perform the Work, including any required business license, and that such licenses and approvals shall be maintained throughout the term of this Contract. As provided for in the indemnification provisions of this Contract, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any work necessary to correct errors or omissions which are caused by Contractor's failure to comply with the standard of care provided for herein. Any employee who is determined by the City to be uncooperative, incompetent, a threat to the safety of persons or the Work, or any employee who fails or refuses to perform the Work in a manner acceptable to the City, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.5 Control and Payment of Subordinates; Contractual Relationship. City retains Contractor on an independent contractor basis and Contractor is not an employee of City. Any additional personnel performing the work governed by this Contract on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance under this Contract and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and workers' compensation insurance.

3.6 City's Basic Obligation. City agrees to engage and does hereby engage Contractor as an independent contractor to furnish all materials and to perform all Work according to the terms and conditions herein contained for the sum set forth above. Except as otherwise provided in the Contract, the City shall pay to Contractor, as full consideration for the satisfactory performance by Contractor of the services and obligations required by this Contract, the below-referenced compensation in accordance with compensation provisions set forth in the Contract.

3.7 Compensation and Payment.

3.7.1 Amount of Compensation. As consideration for performance of the Work required herein, City agrees to pay Contractor the Total Contract Price of Eight Hundred and Seventy-Six Thousand Two hundred and Thirty Five Dollars (\$876,235.00) ("Total Contract Price") provided that such amount shall be subject to adjustment pursuant to the applicable terms of this Contract or written change orders approved and signed in advance by the City.

3.7.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, City will arrange for payment of the Total Contract Price upon completion and approval by City of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, City will pay Contractor on a monthly basis as provided for herein. On or before the fifth (5th) day of each month, Contractor shall submit to the City an itemized application for payment in the format supplied by the City indicating the amount of Work completed since commencement of the Work or since the last progress payment. These applications shall be supported by evidence which is required by this Contract and such other documentation as the City may require. The Contractor shall certify that the Work for which payment is requested has been done and that the materials listed are stored where indicated. Contractor may be required to furnish a detailed schedule of values upon request of the City and in such detail and form as the City shall request,

showing the quantities, unit prices, overhead, profit, and all other expenses involved in order to provide a basis for determining the amount of progress payments.

3.7.3 Prompt Payment. City shall review and pay all progress payment requests in accordance with the provisions set forth in Section 20104.50 of the California Public Contract Code. However, no progress payments will be made for Work not completed in accordance with this Contract. Contractor shall comply with all applicable laws, rules and regulations relating to the proper payment of its employees, subcontractors, suppliers or others.

3.7.4 Contract Retentions. From each approved progress estimate, five percent (5%) will be deducted and retained by the City, and the remainder will be paid to Contractor. All Contract retention shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.7.5 Other Retentions. In addition to Contract retentions, the City may deduct from each progress payment an amount necessary to protect City from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any sums expended by the City in performing any of Contractor's obligations under the Contract which Contractor has failed to perform or has performed inadequately; (3) defective Work not remedied; (4) stop notices as allowed by state law; (5) reasonable doubt that the Work can be completed for the unpaid balance of the Total Contract Price or within the scheduled completion date; (6) unsatisfactory prosecution of the Work by Contractor; (7) unauthorized deviations from the Contract; (8) failure of Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by City during the prosecution of the Work; (9) erroneous or false estimates by Contractor of the value of the Work performed; (10) any sums representing expenses, losses, or damages as determined by the City, incurred by the City for which Contractor is liable under the Contract; and (11) any other sums which the City is entitled to recover from Contractor under the terms of the Contract or pursuant to state law, including Section 1727 of the California Labor Code. The failure by the City to deduct any of these sums from a progress payment shall not constitute a waiver of the City's right to such sums.

3.7.6 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, the City will permit the substitution of securities for any monies withheld by the City to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with the City, or with a state or federally chartered bank in California as the escrow agent, and thereafter the City shall then pay such monies to Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to Contractor. For purposes of this Section and Section 22300 of the Public Contract Code, the term "satisfactory completion of the contract" shall mean the time the City has issued written final acceptance of the Work and filed a Notice of Completion as required by law and provisions of this Contract. Contractor shall be the beneficial owner of any securities substituted for monies withheld and shall receive any interest thereon. The escrow agreement used for the purposes of this Section shall be in the form provided by the City.

3.7.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to the City at the time of payment. To the extent that title has not previously been vested in the City by reason of payments, full title shall pass to the City at delivery of the Work at the destination and time specified in this Contract. Such transferred title shall in each case be good, free and clear from any and all security interests, liens, or other encumbrances. Contractor promises and agrees that it will not pledge, hypothecate, or otherwise encumber the items in any manner that would result in any lien, security interest, charge, or claim upon or against said items. Such transfer of title shall not imply acceptance by the City, nor relieve Contractor from the responsibility to strictly comply with the Contract, and shall not relieve Contractor of responsibility for any loss of or damage to items.

3.7.8 Labor and Material Releases. Contractor shall furnish City with labor and material releases from all subcontractors performing work on, or furnishing materials for, the Work governed by this Contract prior to final payment by City.

3.7.9 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720 et seq., and 1770 et seq., as well as California Code of Regulations, Title 8, Section 16000 et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Contract upon request. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. Contractor and any subcontractor shall forfeit a penalty of up to \$200 per calendar day or portion thereof for each worker paid less than the prevailing wage rates.

3.7.10 Apprenticeable Crafts. When Contractor employs workmen in an apprenticeable craft or trade, Contractor shall comply with the provisions of Section 1777.5 of the California Labor Code with respect to the employment of properly registered apprentices upon public works. The primary responsibility for compliance with said section for all apprenticeable occupations shall be with Contractor. The Contractor or any subcontractor that is determined by the Labor Commissioner to have knowingly violated Section 1777.5 shall forfeit as a civil penalty an amount not exceeding \$100 for each full calendar day of noncompliance, or such greater amount as provided by law.

3.7.11 Hours of Work. Contractor is advised that eight (8) hours labor constitutes a legal day's work. Pursuant to Section 1813 of the California Labor Code, Contractor shall forfeit a penalty of \$25.00 per worker for each day that each worker is permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week, except when payment for overtime is made at not less than one and one-half (1-1/2) times the basic rate for that worker.

3.7.12 Payroll Records. Contractor and each subcontractor shall keep an accurate payroll record, 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 him or her in connection with the public work. The payroll records shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor in the manner provided in Labor Code section 1776. In the event of noncompliance with the requirements of this section, Contractor shall have 10 days in which to comply subsequent to receipt of written notice specifying in what respects such Contractor must comply with this section. Should noncompliance still be evident after such 10-day period, Contractor shall, as a penalty to City, forfeit not more than \$100.00 for each calendar day or portion thereof, for each worker, until strict compliance is effectuated. The amount of the forfeiture is to be determined by the Labor Commissioner. A contractor who is found to have violated the provisions of law regarding wages on Public Works with the intent to defraud shall be ineligible to bid on Public Works contracts for a period of one to three years as determined by the Labor Commissioner. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, such penalties shall be withheld from progress payments then due. The responsibility for compliance with this section is on Contractor. The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

3.7.13 Contractor and Subcontractor Registration. Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. Contractor is directed to review, fill out and execute the Public Works Contractor Registration Certification attached hereto as Exhibit "E" prior to contract execution. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

3.7.14 Labor Compliance; Stop Orders. This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be the Contractor's sole responsibility to evaluate and pay the cost of complying with all labor compliance requirements under this Contract and applicable law. Any stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor that affect Contractor's performance of Work, including any delay, shall be Contractor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Contractor caused delay subject to any applicable liquidated damages and shall not be compensable by the City. Contractor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Contractor or any subcontractor.

3.8 Performance of Work; Jobsite Obligations.

3.8.1 Water Quality Management and Compliance.

3.8.1.1 Water Quality Management and Compliance. Contractor shall keep itself and all subcontractors, staff, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by the performance of the Work including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); local ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

3.8.1.2 Compliance with the Statewide Construction General Permit. Contractor shall comply with all conditions of the most recent iteration of the National Pollutant Discharge Elimination System General Permit for Storm Water Discharges Associated with Construction Activity, issued by the California State Water Resources Control Board ("Permit"). It shall be Contractor's sole responsibility to file a Notice of Intent and procure coverage under the Permit for all construction activity which results in the disturbance of more than one acre of total land area or which is part of a larger common area of development or sale. Prior to initiating work, Contractor shall be solely responsible for preparing and implementing a Storm Water Pollution Prevention Plan (SWPPP) as required by the Permit. Contractor shall be responsible for procuring, implementing and complying with the provisions of the Permit and the SWPPP, including the standard provisions, and monitoring and reporting requirements as required by the Permit. The Permit requires the SWPPP to be a "living document" that changes as necessary to meet the conditions and requirements of the job site as it progresses through different phases of construction and is subject to different weather conditions. It shall be Contractor's sole responsibility to update the SWPPP as necessary to address conditions at the project site.

3.8.1.3 Other Water Quality Rules Regulations and Policies. Contractor shall comply with the lawful requirements of any applicable municipality, drainage City, or local agency regarding discharges of storm water to separate storm drain systems or other watercourses under their jurisdiction, including applicable requirements in municipal storm water management programs.

3.8.1.4 Cost of Compliance. Storm, surface, nuisance, or other waters may be encountered at various times during construction of The Work. Therefore, the Contractor, by submitting a Bid, hereby acknowledges that it has investigated the risk arising from such waters, has prepared its Bid accordingly, and assumes any and all risks and liabilities arising therefrom.

3.8.1.5 Liability for Non-Compliance. Failure to comply with the Permit is a violation of federal and state law. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to defend, indemnify and hold harmless the City and its officials, officers, employees, volunteers and agents for any alleged violations. In addition, City may seek damages from Contractor for any delay in completing the Work in accordance with the Contract, if such delay is caused by or related to Contractor's failure to comply with the Permit.

3.8.1.6 **Reservation of Right to Defend.** City reserves the right to defend any enforcement action brought against the City for Contractor's failure to comply with the Permit or any other relevant water quality law, regulation, or policy. Pursuant to the indemnification provisions of this Contract, Contractor hereby agrees to be bound by, and to reimburse the City for the costs (including the City's attorney's fees) associated with, any settlement reached between the City and the relevant enforcement entity.

3.8.1.7 **Training.** In addition to the standard of performance requirements set forth in paragraph 3.4, Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Work assigned to them without impacting water quality in violation of the laws, regulations and policies described in paragraph 3.8.1. Contractor further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in paragraph 3.8.1 as they may relate to the Work provided under this Agreement. Upon request, City will provide the Contractor with a list of training programs that meet the requirements of this paragraph.

3.8.2 **Safety.** Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. Contractor shall comply with the requirements of the specifications relating to safety measures applicable in particular operations or kinds of work. In carrying out its Work, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which the Work is to be performed. Safety precautions as applicable shall include, but shall not be limited to, adequate life protection and lifesaving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees, such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, fall protection and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. Furthermore, Contractor shall prominently display the names and telephone numbers of at least two medical doctors practicing in the vicinity of the Project, as well as the telephone number of the local ambulance service, adjacent to all telephones at the Project site.

3.8.3 **Laws and Regulations.** Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Contract or the Work, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Work. If Contractor observes that the drawings or specifications are at variance with any law, rule or regulation, it shall promptly notify the City in writing. Any necessary changes shall be made by written change order. If Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. City is a public entity of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Contract to the same extent as though set forth herein and will be complied with. Contractor shall defend, indemnify and hold City, its officials,

officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Contract, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.8.4 Permits and Licenses. Contractor shall be responsible for securing City permits and licenses necessary to perform the Work described herein, including, but not limited to, any required business license. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's business license fee, if any. Any ineligible contractor or subcontractor pursuant to Labor Code Sections 1777.1 and 1777.7 may not perform work on this Project.

3.8.5 Trenching Work. If the Total Contract Price exceeds \$25,000 and if the Work governed by this Contract entails excavation of any trench or trenches five (5) feet or more in depth, Contractor shall comply with all applicable provisions of the California Labor Code, including Section 6705. To this end, Contractor shall submit for City's review and approval a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer.

3.8.6 Hazardous Materials and Differing Conditions. As required by California Public Contract Code Section 7104, if this Contract involves digging trenches or other excavations that extend deeper than four (4) feet below the surface, Contractor shall promptly, and prior to disturbance of any conditions, notify City of: (1) any material discovered in excavation that Contractor believes to be a hazardous waste that is required to be removed to a Class I, Class II or Class III disposal site; (2) subsurface or latent physical conditions at the site differing from those indicated by City; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, City shall promptly investigate the conditions to determine whether a change order is appropriate. In the event of a dispute, Contractor shall not be excused from any scheduled completion date and shall proceed with all Work to be performed under the Contract, but shall retain all rights provided by the Contract or by law for making protests and resolving the dispute.

3.8.7 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, City shall compensate Contractor for the costs of: (1) locating and repairing damage to underground utility facilities not caused by the failure of Contractor to exercise reasonable care; (2) removing or relocating underground utility facilities not indicated in the construction drawings; and (3) equipment necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay caused by failure of City to provide for removal or relocation of such utility facilities.

3.8.8 Air Quality. Contractor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Although CARB limits and requirements are more broad, Contractor shall specifically be aware of their application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Contractor shall indemnify City against any fines

or penalties imposed by CARB, or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Contractor, its subcontractors, or others for whom Contractor is responsible under its indemnity obligations provided for in this Agreement.

3.8.9 State Recycling Mandates. Contractor shall comply with State Recycling Mandates. Any recyclable materials/debris collected by the contractor that can be feasibly diverted via reuse or recycling must be hauled by the appropriate handler for reuse or recycling.

3.9 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify City in writing and shall furnish all labor and material releases required by this Contract. City shall thereupon inspect the Work. If the Work is not acceptable to the City, the City shall indicate to Contractor in writing the specific portions or items of Work which are unsatisfactory or incomplete. Once Contractor determines that it has completed the incomplete or unsatisfactory Work, Contractor may request a reinspection by the City. Once the Work is acceptable to City, City shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which City may be authorized or directed by law to retain. Payment of retention proceeds due to Contractor shall be made in accordance with Section 7107 of the California Public Contract Code.

3.10 Claims; Government Code Claim Compliance.

3.10.1 Intent. Effective January 1, 1991, Section 20104 et seq., of the California Public Contract Code prescribes a process utilizing informal conferences, non-binding judicial supervised mediation, and judicial arbitration to resolve disputes on construction claims of \$375,000 or less. Effective January 1, 2017, Section 9204 of the Public Contract Code prescribes a process for negotiation and mediation to resolve disputes on construction claims. The intent of this Section is to implement Sections 20104 et seq. and Section 9204 of the California Public Contract Code. This Section shall be construed to be consistent with said statutes.

3.10.2 Claims. For purposes of this Section, "Claim" means a separate demand by the Contractor, after a change order duly requested in accordance with the terms of this Contract has been denied by the City, for (A) a time extension, (B) payment of money or damages arising from Work done by or on behalf of the Contractor pursuant to the Contract, or (C) an amount the payment of which is disputed by the City. Claims governed by this Section may not be filed unless and until the Contractor completes all procedures for giving notice of delay or change and for the requesting of a time extension or change order, including but not necessarily limited to the change order procedures contained herein, and Contractor's request for a change has been denied in whole or in part. Claims governed by this Section must be filed no later than fourteen (14) days after a request for change has been denied in whole or in part or after any other event giving rise to the Claim. The Claim shall be submitted in writing to the City and shall include on its first page the following in 16 point capital font: "THIS IS A CLAIM." Furthermore, the claim shall include the documents necessary to substantiate the claim. Nothing in this Section is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims, including all requirements pertaining to compensation or payment for extra Work, disputed Work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

3.10.3 Supporting Documentation. The Contractor shall submit all claims in the following format:

3.10.3.1 Summary of claim merit and price, reference Contract Document provisions pursuant to which the claim is made

3.10.3.2 List of documents relating to claim:

- (A) Specifications
- (B) Drawings
- (C) Clarifications (Requests for Information)
- (D) Schedules
- (E) Other

3.10.3.3 Chronology of events and correspondence

3.10.3.4 Analysis of claim merit

3.10.3.5 Analysis of claim cost

3.10.3.6 Time impact analysis in CPM format

3.10.3.7 If Contractor's claim is based in whole or in part on an allegation of errors or omissions in the Drawings or Specifications for the Project, Contractor shall provide a summary of the percentage of the claim subject to design errors or omissions and shall obtain a certificate of merit in support of the claim of design errors and omissions.

3.10.3.8 Cover letter and certification of validity of the claim, including any claims from subcontractors of any tier, in accordance with Government Code section 12650 *et seq.*

3.10.4 City's Response. Upon receipt of a claim pursuant to this Section, City shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the Contractor a written statement identifying what portion of the claim is disputed and what portion is undisputed. Any payment due on an undisputed portion of the claim will be processed and made within 60 days after the public entity issues its written statement.

3.10.4.1 If City needs approval from its governing body to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, City shall have up to three days following the next duly publicly noticed meeting of the

governing body after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

3.10.4.2 Within 30 days of receipt of a claim, City may request in writing additional documentation supporting the claim or relating to defenses or claims City may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of City and the Contractor.

3.10.4.3 City's written response to the claim, as further documented, shall be submitted to the Contractor within 30 days (if the claim is less than \$50,000, within 15 days) after receipt of the further documentation, or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.

3.10.5 Meet and Confer. If the Contractor disputes City's written response, or City fails to respond within the time prescribed, the Contractor may so notify City, in writing, either within 15 days of receipt of City's response or within 15 days of City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, City shall schedule a meet and confer conference within 30 days for settlement of the dispute.

3.10.6 Mediation. Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, City shall provide the Contractor a written statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after City issues its written statement. Any disputed portion of the claim, as identified by the Contractor in writing, shall be submitted to nonbinding mediation, with City and the Contractor sharing the associated costs equally. City and Contractor shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing, unless the parties agree to select a mediator at a later time.

3.10.6.1 If the Parties cannot agree upon a mediator, each Party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each Party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator.

3.10.6.2 For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the Parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

3.10.6.3 Unless otherwise agreed to by City and the Contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

3.10.6.4 The mediation shall be held no earlier than the date the Contractor completes the Work or the date that the Contractor last performs Work, whichever is earlier. All unresolved claims shall be considered jointly in a single mediation, unless a new unrelated claim arises after mediation is completed.

3.10.7 Procedures After Mediation. If following the mediation, the claim or any portion remains in dispute, the Contractor must file a claim pursuant to Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to subdivision (a) until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation.

3.10.8 Civil Actions. The following procedures are established for all civil actions filed to resolve claims subject to this Section:

3.10.8.1 Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the terms of these procedures.. The mediation process shall provide for the selection within 15 days by both parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court.

3.10.8.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1114.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

3.10.8.3 In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, (A) arbitrators shall, when possible, be experienced in construction law, and (B) any party appealing an arbitration award who does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, also pay the attorney's fees on appeal of the other party.

3.10.9 Government Code Claims. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not

otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the City. A Government Code claim must be filed no earlier than the date the work is completed or the date the Contractor last performs work on the Project, whichever occurs first. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted.

3.10.10 Non-Waiver. City's failure to respond to a claim from the Contractor within the time periods described in this Section or to otherwise meet the time requirements of this Section shall result in the claim being deemed rejected in its entirety. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

3.11 Loss and Damage. Except as may otherwise be limited by law, Contractor shall be responsible for all loss and damage which may arise out of the nature of the Work agreed to herein, or from the action of the elements, or from any unforeseen difficulties which may arise or be encountered in the prosecution of the Work until the same is fully completed and accepted by City.

3.12 Indemnification.

3.12.1 Scope of Indemnity. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the City, its officials, employees, agents and authorized volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Contractor's services, the Project or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Contractor's indemnity obligation shall not apply to liability for damages for death or bodily injury to persons, injury to property, or any other loss, damage or expense arising from the sole or active negligence or willful misconduct of the City or the City's agents, servants, or independent contractors who are directly responsible to the City, or for defects in design furnished by those persons.

3.12.2 Additional Indemnity Obligations. Contractor shall defend, with counsel of City's choosing and at Contractor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and authorized volunteers. In addition, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Contractor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Contractor shall reimburse City and its officials, employees, agents and authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted

to insurance proceeds, if any, received by the City, its officials, employees, agents and authorized volunteers.

3.13 Insurance.

3.13.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the City to terminate this Contract for cause.

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

3.13.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01) OR Insurance Services Office Owners and Contractors Protective Liability Coverage Form (CG 00 09 11 88) (coverage for operations of designated contractor); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 00 01, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. Policies shall not contain exclusions contrary to this Contract.

3.13.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$5,000,000 per occurrence and \$5,000,000 aggregate for bodily injury, personal injury and property damage; (2) *Automobile Liability*: \$5,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 each accident, policy limit bodily injury or disease, and each employee bodily injury or disease. Defense costs shall be available in addition to the limits. Notwithstanding the minimum limits specified herein, any available coverage shall be provided to the parties required to be named as additional insureds pursuant to this Contract.

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

3.13.3.1 General Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status using ISO endorsements CG20 10 10 01 plus CG20 37 10 01, or endorsements providing the exact same coverage, with respect to the Work or operations performed by or on behalf of Contractor, including

materials, parts or equipment furnished in connection with such work; (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it.

3.13.3.2 Automobile Liability. (1) Such policy shall give the City, its officials, employees, agents and authorized volunteers additional insured status with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by Contractor or for which Contractor is responsible; (2) all policies shall waive or shall permit Contractor to waive all rights of subrogation which may be obtained by the Contractor or any insurer by virtue of payment of any loss or any coverage provided to any person named as an additional insured pursuant to this Contract, and Contractor agrees to waive all such rights of subrogation; and (3) the insurance coverage shall be primary insurance as respects the City, its officials, employees, agents and authorized volunteers, or if excess, shall stand in an unbroken chain of coverage excess of Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its officials, employees, agents and authorized volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

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

3.13.3.4 All Coverages. Each insurance policy required by this Contract shall be endorsed to state that: (1) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its officials, employees, agents and authorized volunteers.

3.13.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its officials, employees, agents and authorized volunteers.

3.13.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, agents and authorized volunteers; or (2) the Contractor shall procure a bond or other financial guarantee acceptable to the City

guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.13.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to the City. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

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

3.13.8 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. Contractor shall furnish separate certificates and endorsements for each subcontractor. Subcontractor policies of General Liability insurance shall name the City, its officials, employees, agents and authorized volunteers as additional insureds using form ISO 20 38 04 13 or endorsements providing the exact same coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein except as otherwise agreed to by the City in writing.

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

3.14 Bond Requirements.

3.14.1 Payment Bond. If required by law or otherwise specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Payment Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.2 Performance Bond. If specifically requested by City in Exhibit "C" attached hereto and incorporated herein by reference, Contractor shall execute and provide to City concurrently with this Contract a Performance Bond in an amount required by the City and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until the bond has been received and approved by the City.

3.14.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the effected bond within (ten) 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be

given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Contract until any replacement bonds required by this Section are accepted by the City. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of the City, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. If Contractor fails to furnish any required bond, the City may terminate the Contract for cause.

3.14.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. If a California-admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.15 Warranty. Contractor warrants all Work under the Contract (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the Work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Contract or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the Work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the Work or non-conformance of the Work to the Contract, commence and prosecute with due diligence all Work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act sooner as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair and replace any portions of the Work (or work of other contractors) damaged by its defective Work or which becomes damaged in the course of repairing or replacing defective Work. For any Work so corrected, Contractor's obligation hereunder to correct defective Work shall be reinstated for an additional one year period, commencing with the date of acceptance of such corrected Work. Contractor shall perform such tests as the City may require to verify that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Contract. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the Work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Contract, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming Work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

3.16 Employee/Labor Certifications.

3.16.1 Contractor's Labor Certification. By its signature hereunder, Contractor certifies that he is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Work. A certification form for this purpose, which is attached to this Contract as Exhibit "D" and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.16.2 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

3.16.3 Verification of Employment Eligibility. By executing this Contract, Contractor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subcontractors and sub-subcontractors to comply with the same.

3.17 General Provisions.

3.17.1 City's Representative. The City hereby designates the General Manager, or his or her designee, to act as its representative for the performance of this Contract ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Contract. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.17.2 Contractor's Representative. Before starting the Work, Contractor shall submit in writing the name, qualifications and experience of its proposed representative who shall be subject to the review and approval of the City ("Contractor's Representative"). Following approval by the City, Contractor's Representative shall have full authority to represent and act on behalf of Contractor for all purposes under this Contract. Contractor's Representative shall supervise and direct the Work, using his best skill and attention, and shall be responsible for all construction means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Contract. Contractor's Representative shall devote full time to the Project and either he or his designee, who shall be acceptable to the City, shall be present at the Work site at all times that any Work is in progress and at any time that any employee or subcontractor of Contractor is present at the Work site. Arrangements for responsible supervision, acceptable to the City, shall be made for emergency Work which may be required. Should Contractor desire to change its Contractor's Representative, Contractor shall provide the information specified above and obtain the City's written approval.

3.17.3 Termination. This Contract may be terminated by City at any time, either with or without cause, by giving Contractor three (3) days advance written notice. In the event of termination by City for any reason other than the fault of Contractor, City shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, City may terminate the Contract immediately without notice, may reduce payment to Contractor in the amount necessary to offset City's resulting damages, and may pursue any other available recourse against Contractor. Contractor may not terminate this Contract except for cause. In the event this Contract is terminated in whole or in part as provided, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated. Further, if this Contract is terminated as provided, City may require Contractor to provide all finished or unfinished documents, data, diagrams, drawings, materials or other matter prepared or built by Contractor in connection with its performance of this Contract.

3.17.4 Contract Interpretation. Should any question arise regarding the meaning or import of any of the provisions of this Contract or written or oral instructions from City, the matter shall be referred to City's Representative, whose decision

3.17.5 Anti-Trust Claims. This provision shall be operative if this Contract is applicable to California Public Contract Code Section 7103.5. In entering into this Contract to supply goods, services or materials, Contractor hereby offers and agrees to assign to the City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the City tender final payment to Contractor, without further acknowledgment by the Parties.

3.17.6 Notices. All notices hereunder and communications regarding interpretation of the terms of the Contract or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

CONTRACTOR:

Mid Cal Pipeline & Utilities, Inc.
P.O. Box 2406, Merced, CA 95344
Attn: Joseph A. Fausone, Owner/President

CITY:

City of Merced
678 W. 18th Street
Merced, California 95340
Attn: Mr. Michael R. Beltran II, PE
City Engineer

Any notice so given shall be considered received by the other Party three (3) days after deposit in the U.S. Mail as stated above and addressed to the Party at the above address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.17.7 Time of Essence. Time is of the essence in the performance of this Contract.

3.17.8 Assignment Forbidden. Contractor shall not, either voluntarily or by action of law, assign or transfer this Contract or any obligation, right, title or interest assumed by Contractor herein without the prior written consent of City. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, City may, at its option, terminate and revoke the Contract and shall thereupon be relieved from any and all obligations to Contractor or its assignee or transferee.

3.17.9 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.17.10 Laws, Venue, and Attorneys' Fees. This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Merced, State of California.

3.17.11 Counterparts. This Contract may be executed in counterparts, each of which shall constitute an original.

3.17.12 Successors. The Parties do for themselves, their heirs, executors, administrators, successors, and assigns agree to the full performance of all of the provisions contained in this Contract.

3.17.13 [Reserved]

3.17.14 Solicitation. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Contract. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, City shall have the right to terminate this Contract without liability.

3.17.15 Conflict of Interest. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Contract, no official, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom. In addition, Contractor agrees to file, or to cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Work.

3.17.16 Certification of License.

3.17.16.1 Contractor certifies that as of the date of execution of this Contract, Contractor has a current contractor's license of the classification indicated below under Contractor's signature.

3.17.16.2 Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four (4) years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within ten (10) years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

3.17.17 Authority to Enter Contract. Each Party warrants that the individuals who have signed this Contract have the legal power, right and authority to make this Contract and bind each respective Party.

3.17.18 Entire Contract; Modification. This Contract contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Contract may only be modified by a writing signed by both Parties.

3.17.19 Non-Waiver. None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

3.17.20 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project or other projects.

[SIGNATURES ON NEXT PAGE]

**SIGNATURE PAGE FOR CONSTRUCTION CONTRACT
BETWEEN THE CITY OF MERCED
AND MID CAL PIPELINE & UTILITIES, INC.**

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the
_____ day of _____, 20____.

CITY OF MERCED

Mid Cal Pipeline & Utilities, Inc.

By: _____
Stephanie Dietz
City Manager

By: Jimmy L. Fausone
Its: Corporate Officer/Secretary
Printed Name: Jimmy L. Fausone

ATTEST:

By: _____
Deputy City Clerk

APPROVED AS TO FORM:

**MID CAL PIPELINE & UTILITIES, INC.
Contractor Printed Name**

By: _____
City Attorney

By: Jimmy L. Fausone
Contractor licensed in accordance with an act
providing for the registration of contractors.

ACCOUNT DATA:

Project No.: 119025

Taxpayer ID No.: 77-0525929

Vendor No.: 360

Project Account Number(s) / Amount:

Address: 6931 Mariposa Way.

Merced, CA 95341

Phone: 209-383-7473

Fax: 209-383-7477

Email: midcalpipeline@gmail.com

By: _____

(SEAL)

Finance Officer Verification



BID SCHEDULE

ITEM NO.	ITEM	UNIT OF MEASURE	ESTIMATED QUANTITY	UNIT PRICE (IN FIGURES)	ITEM TOTAL (IN FIGURES)
1	Permits, Bonds, Licenses & Insurance	LS	—	\$ 50,000.00	\$ 50,000.00
2	Public Convenience and Safety	LS	—	\$ 25,000.00	\$ 25,000.00
3	Surveying Services	LS	—	\$ 25,000.00	\$ 25,000.00
4	Clearing and Grubbing	LS	—	\$ 30,000.00	\$ 30,000.00
5	Remove and Replace concrete Sidewalk	SF	450	\$ 20.00	\$ 9,000.00
6	Remove and Replace 9" curb and gutter	LF	36	\$ 300.00	\$ 10,800.00
7	Remove and Replace Tree	EA	2	\$ 8,000.00	\$ 16,000.00
8	24" HDPE Sewer Direct Bury	LF	133	\$ 220.00	\$ 29,260.00
9	30" Bore under Hwy. 99 w/24" HDPE Sewer	LF	361	\$ 931.00	\$ 336,091.00
10	30" Bore under UPRR w/24" HDPE Sewer	LF	216	\$ 984.00	\$ 212,544.00
11	48" Sanitary Sewer Manhole	EA	2	\$ 7,000.00	\$ 14,000.00
12	60" Sanitary Sewer Manhole	EA	1	\$ 9,500.00	\$ 9,500.00
13	Remove Sewer Manhole	EA	2	\$ 3,000.00	\$ 6,000.00
14	Sewer Bypass System	LS	—	\$ 7,000.00	\$ 7,000.00
15	Shoring and Bracing	LS	—	\$ 20,000.00	\$ 20,000.00
16	CLSM Shurry UPRR Casing	CY	16	\$ 420.00	\$ 6,720.00
17	CLSM Shurry Hwy 99 Pipeline	CY	46	\$ 420.00	\$ 19,320.00
18	Restoration	LS	—	\$ 50,000.00	\$ 50,000.00

TOTAL BID SCHEDULE ITEMS 1 THROUGH 18

\$ 876,235.00

EXHIBIT "A"-SERVICES / SCHEDULE

The Contractor shall install a 24" HDPE sanitary sewer main along the Orchard Lane alignment between Main Street and Crist Avenue. The work shall include a jack and bore under State Highway 99 and the Union Pacific Railroad Tracks.

The Contractor will have 60 working days to complete the work subject to the requirements of the Caltrans Permit and UPRR Permit obtained by the City of Merced and included herein.

EXHIBIT "B"- PLANS AND SPECIFICATIONS

SCOPE OF WORK

The work to be done consists, in general of the installation of a 24"HDPE sanitary sewer main along the Orchard Lane alignment between Main Street and Crist Avenue. The work shall include a jack and bore under State Highway 99 and a jack and bore under the Union Pacific Railroad Tracks. Also included is the abandonment of the existing bore under UPRR tracks with a cement slurry and a slurry in the pipeline under Hwy. 99.

Such other items or details, not mentioned above, that are required by the plans, standard specifications, or these special provisions shall be performed, placed, constructed or installed.

PERFORMANCE

The Contractor shall furnish all labor, materials, tools, equipment, incidentals, and do all work described in the Plans and these Special Provisions.

COORDINATION/COOPERATION

The Contractor shall notify the Engineer at (209) 385-6846 at least three (3) working days in advance of the tentative starting date.

The Contractor shall be responsible for contacting and coordinating with all utility companies, including the City, with regards to the location of existing underground facilities in the construction area. The Contractor shall call Underground Service Alert at (800) 642-2444, at least 2 working days before commencement of underground work for location of underground facilities.

Utility facilities damaged, temporarily disconnected, or relocated as a result of construction shall be repaired/reconnected as directed by the governing utility at the Contractor's expense.

Full compensation for conforming to the requirements of this section shall be considered as included in the price paid for the various contract items of work involved and no additional compensation will be made.

INSPECTION OF SITE

The Contractor shall inspect the work site and note all existing conditions before submitting a bid for this project. A site tour is scheduled immediately following the pre-bid/LBE meeting if requested.

DUST CONTROL

It shall be the responsibility of the Contractor to minimize dust during earth moving operations. A water truck shall be made available if necessary for dust control.

Full compensation for conforming to the requirements of this section shall be considered as included in the price paid for the various contract items of work involved and no additional compensation will be made.

PERMITS, BONDS, LICENSES AND INSURANCE

The Contractor shall procure all permits, bonds, licenses and insurance, pay all charges and fees, and give all notices necessary and incidental to the prosecution of the work.

Payment for "Permits, Bonds, Licenses and Insurance," shall be at the contract lump sum price as set forth in the proposal, and shall include all fees associated with permits, bonds, licenses, inspections, and all other fees necessary for the completion of this item.

PUBLIC CONVENIENCE AND SAFETY

The Contractor shall be responsible for all the provisions of this item, including issuance of all notices necessary for prosecution of the work.

Construction Area Signs -- Construction area signs and traffic cones shall be furnished, installed, maintained, and removed when no longer required in accordance with the provisions in Section 12, "Temporary Traffic Control," of the State Specifications, and these Special Provisions. Specifically included in this item are all detour signage.

The Contractor shall notify the appropriate regional notification center for operators of subsurface installations at least two (2) working days, but not more than 14 calendar days, prior to commencing any excavation for construction area sign posts. The regional notification centers include, but not limited to the following:

<u>Notification Center</u>	<u>Telephone</u>
Underground Service Alert (USA) (Northern California)	1-800-227-2600

All excavations required to install construction area signs shall be performed by hand methods without the use of power equipment, except that power equipment may be used if it is determined that there were no utility facilities in the area of the proposed post holes.

Sign substrates for stationary mounted construction area signs may be fabricated from fiberglass reinforced plastic as specified under "Prequalified and Tested Signing and Delineation Materials" elsewhere in these Special Provisions.

Type IV reflective sheeting for sign panels for portable construction area signs shall conform to the requirements specified under "Prequalified and Testing Signing and Delineation Materials" elsewhere in these Special Provisions.

The term "construction area signs" shall also include temporary object markers required for the direction of public traffic through or around the work during construction. Object markers listed or designated on the plans as construction area signs shall be considered to be signs and shall be furnished, erected, maintained and removed by the Contractor in the same manner specified for construction area signs and the following:

Object markers shall be stationary mounted on wood or metal posts in accordance with the details shown on the plans and the requirements in Section 82, "Markers and Delineators," of the Standard Specifications.

Marker panels for Type N, Type P and Type R object markers shall conform to the requirements for sign panels for stationary mounted signs.

Target plates for Type K and Type L object markers and posts, reflectors and hardware shall conform to the requirements in said Section 82, but need not be new.

When a street section is to be closed, it shall be solidly barricaded, and signs shall be posted at the closure points indicating "Street Closed."

Full cost of providing and removing construction area signs shall be borne exclusively by the Contractor and shall be considered as included in the contract lump sum price for "Public Convenience & Safety."

Maintaining Traffic -- Attention is directed to Section 7-1.03, "Public Convenience," Section 7-1.04, "Public Safety," and Section 12, "Temporary Traffic Control," of the State Specifications. Nothing in these Special Provisions shall be construed as relieving the Contractor from its responsibility as provided in Section 7-1.04 of the State Specifications.

All traffic cones used for night lane closures shall have reflective cone sleeves as specified in the specifications. One (1) 12-foot wide traffic lane must be open at all times.

The second and third paragraphs of Section 12-3.10, "Traffic Cones," of the State Standard Specifications are amended to read:

During the hours of darkness, traffic cones shall be affixed with reflective cone sleeves. The reflective sheeting of sleeves on the traffic cones shall be visible at 1,000 feet at

night under illumination of legal high beam headlights, by persons with vision of or corrected to 20/20.

Reflective cone sleeves shall conform to the following:

Removable flexible reflective cone sleeves shall be fabricated from the reflective sheeting specified in the special provisions, have a minimum height of 13 inches and shall be placed a maximum of 3 inches from the top of the cone. The sleeves shall not be in place during daylight hours.

Permanently affixed semitransparent reflective cone sleeves shall be fabricated from the semitransparent reflective sheeting specified in the special provisions, have a minimum height of 13 inches, and shall be placed a maximum of 3 inches from the top of the cone. Traffic cones with semitransparent reflective cone sleeves may be used during daylight hours.

Permanently affixed double band reflective cone sleeves shall have 2 white reflective bands. The top band shall be 6 inches in height, placed a maximum of 4 inches from the top of the cone. The lower band shall be 4 inches in height, placed 2 inches below the bottom of the top band. Traffic cones with double band reflective cone sleeves may be used during daylight hours.

The type of reflective cone sleeve used shall be at the option of the Contractor. Only one type of reflective cone sleeve shall be used on the project.

Lane closures shall conform to the provisions in the section of these special provisions entitled "Traffic Control System for Lane Closure."

Personal vehicles of the Contractor's employees shall not be parked on the traveled way or shoulders, including any section closed to public traffic.

The Contractor shall notify local authorities of its intent to begin work at least five (5) days before work is begun. The Contractor shall cooperate with local authorities relative to handling traffic through the area and shall make its own arrangements relative to keeping the working area clear of parked vehicles.

The Contractor shall provide access to all businesses and residences within the construction zone at all times throughout the project. When the work requires the closing of a business driveway or other entrance, the Contractor shall post signs directing the public to the most convenient access to the business.

The Contractor shall provide access to all private driveways when construction is not actively in progress. Access to driveways fronting the construction area shall not be hindered or blocked for time periods greater than 4 hours without notifying the property owner or tenant in writing 24 hours prior to blockage.

The Contractor shall provide safe public access around the work site in accordance with the American Disabilities Act requirements during the work.

Whenever vehicles or equipment are parked on the shoulder within six feet of a traffic lane, the shoulder area shall be closed with fluorescent traffic cones or portable delineators placed on a taper in advance of the parked vehicles or equipment and along the edge of the pavement at 25-foot intervals to a point not less than 25 feet past the last vehicle or piece of equipment. A minimum of nine (9) cones or portable delineators shall be used for the taper. A C23 (Road Work Ahead) or C24 (Shoulder Work Ahead) sign shall be mounted on a telescoping flag tree with flags. The flag tree shall be placed where directed by the Engineer.

When the Contractor's operations create a condition hazardous to traffic or to the public, he shall furnish, erect and maintain, at his expense and without cost to the City, such fences, barricades, lights, signs and other devices as are necessary to prevent accidents or damage or injury to the public. The Contractor shall also furnish such flagmen, provided with the necessary equipment kept clean and in good condition by the Contractor at his expense, as may be necessary to give adequate warning to traffic or to the public that the roadway is under construction or of any dangerous conditions to be encountered. The flagmen shall perform their duties and their work of furnishing and placing such signs, lights, flags and other warning and safety devices as set forth in the current "Work Area Traffic Control Handbook" as published by the Building News, Inc., Los Angeles, California.

Minor deviations from the requirements of this section concerning hours of work which do not significantly change the cost of the work may be permitted upon the written request of

the Contractor if, in the opinion of the Engineer, public traffic will be better served and the work expedited. Such deviations shall not be adopted until the Engineer has indicated its written approval. All other modifications will be made by contract change order.

Full cost of conforming to this section shall be considered as included in the contract lump sum price for "Public Convenience and Safety."

Traffic Control System for Lane Closure -- A traffic control system shall be provided by the Contractor and shall be in accordance with the provisions of Section 12, "Temporary Traffic Control," of the State Specifications, the provisions under "Maintaining Traffic" elsewhere in these Special Provisions.

The provisions in this section shall not relieve the Contractor from its responsibility to provide such additional devices, or take such measures as may be necessary, to comply with the provisions in Section 7-1.04, "Public Safety," of the State Standard Specifications.

Prior to any lane closures, it shall be the responsibility of the Contractor to provide 72-hour notice to the City and obtain City approval of the lane closure. Failure to notify the City in a timely manner is cause for the City to prevent the lane closure.

Whenever a lane closure is made, the Contractor shall close the lane by placing fluorescent traffic cones, portable cones, portable delineators, or other devices approved by the Engineer, along a taper and along the edge of the closed lane adjacent to public traffic. One telescoping flag tree with flags shall be placed at the beginning and at the end of the taper.

If any component in the traffic control system is displaced or ceases to operate or function as specified, from any cause, during the progress of the work, the Contractor shall immediately repair said component to its original condition or replace said component, and shall restore the component to its original location. Full cost of providing flaggers shall be borne exclusively by the Contractor.

The Contractor shall submit a traffic control plan and approved by the City Engineer prior to commencing any work.

Protection of the Work -- To minimize traffic congestion during the resurfacing operation, the work shall be done in stages. Residents with driveways within the closed section shall be notified at least 24 hours in advance of closure via door hangers and signs within the limits of the project.

Barricades and signs and their cost of replacement, the cost of flagmen necessary for the protection of the work and the public and costs of notification of affected residents will be considered as included in the contract price paid for bid items shown in the proposal, and no separate payments shall be made.

Payment for "Public Convenience and Safety," shall be at the contract lump sum price as set forth in the proposal, and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

SURVEYING SERVICES

The Contractor will arrange for performance of survey work and construction layout and will be responsible for the accuracy of surveying adequate for construction. The selection of a Surveyor by the Contractor will be subject to approval by the Engineer. The Contractor shall preserve construction survey stakes and marks for the duration of their usefulness. If any construction survey stakes are lost or disturbed and need to be replaced, such replacement shall be by the Surveyor at the expense of the Contractor. The Contractor will dig all holes necessary for line and grade stakes. Full cost of providing surveys shall be borne exclusively by the Contractor.

Payment for "Surveying Services," shall be at the contract lump sum price as set forth in the proposal and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

CLEARING AND GRUBBING

Clearing and grubbing shall conform to the provisions in Section 17-2, "Clearing and Grubbing," of the State Specifications and these Special Provisions.

Vegetation shall be cleared and grubbed only within the limits of construction shown in the plans. All existing vegetation, outside the areas to be cleared and grubbed, shall be protected from injury or damage resulting from the work of the Contractor.

Nothing herein shall be construed as relieving the Contractor of his responsibility for final clean up as provided in Section 4-1.13, "Cleanup", of the State Standard Specifications.

Payment for "Clearing and Grubbing," shall be at the contract lump sum price as set forth in the proposal and shall include all labor, materials, tools, equipment, trenching, and all work necessary for the completion of this item.

AS-BUILT DRAWINGS

Record Drawings shall be submitted before the notice of completion is filed and must include the following:

- Shall be submitted on Mylar, at least 24"x 36", and shall bear the name, address, telephone number of the firm preparing the drawings and in electronic (AutoCAD) format.
- Surveyor's/Engineers statement (with embossed or wet seal and with original signature on each sheet) shall verify the as-built drawings reflect the true conditions in the field.
- Contractor's statement (with original signature on each sheet) shall verify all construction specifications and product qualities have been met or exceeded.
- "AS-BUILT DRAWINGS" or "RECORD DRAWINGS" shall be clearly labeled on each sheet.
- The location and elevation of the benchmark referenced will be shown on the drawing.
- Corrected placement, grade, elevation and alignment of roads, water system, sewer and storm system, lighting system and appurtenances, pipe sizes, material changes, shall all be shown on as-built drawing.
- All horizontal distances shall be shown to the nearest tenth of a foot (0.1'). All elevations shall be shown to the nearest five hundredths of a foot (0.05').

Full compensation for conforming to the requirements of this section shall be considered as included in the price paid for the various contract items of work involved and no additional compensation will be made.

REMOVE AND REPLACE CONCRETE SIDEWALK

The contractor shall remove portions of the concrete sidewalk as shown on the plans and called for in these specifications. Existing concrete shall be sawcut at nearest joint to provide a smooth transition.

Surplus material shall become the property of the Contractor and shall be disposed of at the Contractor's expense outside the right-of-way.

The concrete sidewalk shall have a minimum thickness of 6-inch, minimum 3,000psi, slump of 4-inches +/- 1-inch, match the existing adjacent concrete walk finish and in accordance with the Plans, and these Special Provisions. In replacing the radius return on Orchard and Main, the Contractor shall remove and replace the radius return on the east side of Orchard Lane and install a handicap ramp there also per Caltrans Standard Plans A88A, Class "A".

The concrete walk shall have ½" felt expansion joint to be installed at 60' maximum intervals and control joints spaced every 10' on center.

The Contractor shall moisture condition subgrade to at least 3% above the optimum moisture content to a depth of 12" and compact existing sub-grade to 90%, but not more than 95%, followed by Caltrans Class 2 aggregate base (Driveways and Handicap Ramps) / Caltrans Class 3 aggregate subbase (Sidewalks) compacted to 90% (Handicap Ramps and Sidewalks) relative compaction, as determined by ASTM D1557.

10-Mil Polyolefin – The Contractor shall install 10 mil polyolefin vapor barrier where concrete does not abut against hardscape, such as a park strip or planting area. The vapor barrier shall be installed to a minimum depth of 18 inches and to a minimum of 12 inches under the sidewalk.

Payment for "Remove and Replace Concrete Sidewalk" shall be at the contract square foot price as set forth in the proposal and shall include all labor, materials, tools, equipment, trenching, backfilling and all work necessary for the completion of this item.

Actual work quantities to be paid are those quantities marked and agreed upon in the field between the Engineer and the Contractor prior to demolition. No additional repairs beyond the limits marked and agreed upon in the field, as actual quantities will be paid therefor.

REMOVE AND REPLACE 9" CONCRETE CURB AND GUTTER

The contractor shall remove portions of the concrete curb and gutter as shown on the plans and called for in these specifications. Existing concrete shall be sawcut to provide a smooth transition.

The concrete curb and gutter shall have a minimum strength of 3,000psi, slump of 4-inches +/- 1-inch, match the existing adjacent concrete curb and gutter finish and in accordance with the Plans, and these Special Provisions.

The Contractor shall, to a depth of 12-inches, uniformly moisture condition the existing sub-grade to at least 3% above the optimum moisture content and compact to at least 90%, but not more than 95% relative compaction as determined by ASTM D1557 followed by 6-inches of Caltrans Class 2 aggregate base to at least 3% optimum moisture compacted to 95% relative compaction

Surplus material shall become the property of the Contractor and shall be disposed of at the Contractor's expense outside the right-of-way.

Payment for "Remove and Replace Concrete Curb and Gutter" shall be at the contract linear foot price as set forth in the proposal and shall include all labor, materials, tools, equipment, trenching, backfilling, aggregate base and all work necessary for the completion of this item.

REMOVE AND REPLACE TREE

The Contractor shall remove trees that lie in the path of the proposed sewer main.

Tree removal shall conform to the provisions in Section 17-2 "Clearing and Grubbing," of the State Standard Specifications and these Special Provisions. The rootball shall be completely removed and hauled away or preserved for replanting.

Payment for "Tree Removal," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, backfill, disposal and all work necessary for the completion of this item.

24" HDPE SEWER DIRECT BURY

The Contractor shall furnish and install 24-inch diameter HDPE-Pipe, Solid Wall Sewer Pipe, DR 19 or approved equal, in accordance with the manufacturers' installation manual and the current City of Merced Standard Designs S-8 (Sanitary Sewer Data) and S-9 (Sewer System Testing), the Plans, and these Special Provisions.

Pipe Requirements

The pipe shall meet ASTM D3035 Standard Spec for PE Pipe (DR-PR), ASTM D3261 Butt Heat Fusion for PE. Materials used for the manufacture of polyethylene pipe and fittings shall be made from a PE 3408 high density polyethylene resin compound meeting cell classification 345434C per ASTM D3350: and meeting Type III, Class C, Category 5, Grade P34 per ASTM D1238.

All HDPE Pipe and fittings shall be from a single manufacturer, who is fully experienced, reputable and qualified in the manufacture of HDPE pipe to be furnished. Manufacturers shall be : PLEXCO Division of Chevron Chemical Company, DRISCOPIPE as manufactured by Phillips Products Co., Inc., SCLAIRPIPE as manufactured by DuPont of Canada or approved equal.

Joint Performance

The pipe shall be joined with butt, heat fusion joints as outlined in ASTM D2657 and conform to the Generic Butt Fusion Joining Procedure for Field Joining of Polyethylene Pipe, Technical Report TR-33/2005, published by the Plastic Pipe Institute (PPI).

Butt Fusion process along with equipment used shall be submitted to the City for approval.

Installation

HDPE pipe shall be installed in standard laying lengths no shorter than 20 feet and not to exceed 50 feet.

This item shall include trench excavation, bedding, setting of the pipe, stub outs, caps, connections to existing manholes, testing, backfill, compaction, aggregate base, paving, and all conditions described on the plans, and in the applicable City of Merced Standards.

Where a portion of existing surfacing is to be removed, the outline of the area to be removed shall be cut to the nearest joint with a power-driven saw to a minimum depth of 0.17-foot before removing the surfacing.

Trench excavation and backfill work shall conform to the City of Merced Standards T-1 to T-5 (Trenching and Backfill Requirements), unless noted otherwise, and will be paid for under this item.

The new sewer main shall retain the vertical and horizontal alignments as shown on the Plans. The Contractor and the Engineer, in writing, shall agree upon any deviation from the planned alignments.

Testing

The new sewer main shall be air tested per Merced City Standard S-9 "Air Pressure Test"

The City of Merced will be responsible to TV the sewer main.

Payment for "24" HDPE Sewer Direct Bury," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, compaction, aggregate base and all work necessary for the completion of this item.

30" BORE UNDER HWY 99 W/24" HDPE SEWER

The Contractor shall install new 30" steel casing for sewer main at the location shown on the plans and shall coordinate with Caltrans during the phases of construction within their jurisdictions and comply with their requirements. Caltrans Permit No. 10-21-N-UJ-0412 is inserted in Appendix 2

The new casing shall be 1/2-inch thick continuously welded at joints for a rigid watertight encasement. Casing material shall be smooth steel casing pipe, 30-inch nominal outside diameter, fabricated in sections for welded joints. Steel pipe casing shall conform to the requirements of ASTM A283, Grade B. It shall be installed symmetrical about sewer main centerline (typical). Pipe casing shall be laid true to line and grade with no bends or changes in grade for the full length of the casing. **Casing pipe can either be coated or non-coated.**

Field joints shall be full circumference welded butt joints. Install casing seals at each end of casing. Casing seals shall be neoprene rubber, pull-on seal with T-304 stainless steel bands, Cascade Waterworks Mfg., Model CCES, or approved equal.

HDPE Pipe shall be as specified under "24" HDPE Sewer Direct Bury".

The Contractor shall provide and install all stainless steel insulated casing spacers as required to install the new sewer main pipe. Casing spacers shall be two-piece shell made from T-304 stainless steel of a minimum 14-gauge thickness, with polyethylene runners attached to the shell, Cascade Waterworks Mfg., Model CSS, or approved equal.

If redwood skids are required instead of the insulating spacers, the Contractor shall fill the annular space between the casing and the pipe with sand. The sand filling shall be accomplished by using a Guniting machine for blowing, or other approved equipment. Dispose of excess excavated material off the site. Sand shall be in accordance with Caltrans Standard Specifications, Section

19-3.02E(2), "Sand Bedding." The sand volume placed shall equal the annular volume between the casing and the pipe.

Payment for "30" Bore Under HWY 99 W/24" HDPE Pipe Sewer," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, backfill, compaction and all work necessary for the completion of this item.

30" BORE UNDER UPRR W/24" HDPE SEWER

The Contractor shall install new 30" steel casing for sewer main at the location shown on the plans and shall coordinate with Union Pacific Railroad during the phases of construction within their jurisdictions and comply with their requirements. UPRR Permit is inserted in Appendix 3.

The City of Merced has an Agreement with UPRR to pay for a Flagger and an Observer during construction. The Contractor shall be responsible to contact Railpros Field Services at (682) 223-5271 or email RP.Utility@railpros.com 10 days prior to this phase of construction.

The new casing shall be 1/2-inch thick continuously welded at joints for a rigid watertight encasement. Casing material shall be smooth steel casing pipe, of the size designated in the plan, fabricated in sections for welded joints. Steel pipe casing shall conform to the requirements of ASTM A283, Grade B. It shall be installed symmetrical about sewer main centerline (typical). Pipe casing shall be laid true to line and grade with no bends or changes in grade for the full length of the casing. **Casing pipe can either be coated or non-coated.**

Field joints shall be full circumference welded butt joints. Install casing seals at each end of casing. Casing seals shall be neoprene rubber, pull-on seal with T-304 stainless steel bands, Cascade Waterworks Mfg., Model CCES, or approved equal.

HDPE Pipe shall be as specified under "24" HDPE Sewer Direct Bury".

The Contractor shall provide and install all stainless steel insulated casing spacers as required to install the new sewer main pipe. Casing spacers shall be two-piece shell made from T-304 stainless steel of a minimum 14 gauge thickness, with polyethylene runners attached to the shell, Cascade Waterworks Mfg., Model CSS, or approved equal

Payment for "30" Bore Under UPRR W/24" HDPE Sewer," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, backfill, compaction and all work necessary for the completion of this item.

SANITARY SEWER MANHOLE

The Contractor shall construct new sewer manholes where indicated on the plans, provide continuous service (existing mains), provide backfill material, and restore site paving to applicable City of Merced Standards. All manholes located in grass or field areas shall have raised concrete collars.

All incoming and out flowing sewer mains or laterals shall be extended and re-connected to the new manhole as required and as shown on the plans, using like materials and C-594 sewer repair couplings with stainless steel shear rings, or an approved alternative method.

The Contractor shall install new manhole frames and covers at each site. Reuse of existing frames and covers shall not be permitted.

Any sewage spills, or any construction debris that falls into the sewer main, shall be cleaned up at the Contractor's expense and to the satisfaction of the Engineer.

References:

- 1) Sewer Manhole Details (S-1)
- 2) Manhole Frame and Cover (S-3)
- 3) General Requirements (ST-6)
- 4) Manhole Details per plan

Payment for "Sanitary Sewer Manhole," shall be at the contract unit price for two bid items "48" Sewer Manhole" and "60" Sewer Manhole" as set forth in the proposal and shall include all work required to complete the project, including but not limited to, all labor, materials, tools, equipment, demolition, excavation, backfill, compaction, resurfacing, and all work necessary for the completion of this item.

REMOVE SEWER MANHOLE

The work shall consist of removing existing manholes including the concrete base. The Contractor shall work with City forces to salvage and deliver the existing manhole frames and covers to the City of Merced Corporation Yard at 1776 Grogan Avenue. Removed materials that are not to be salvaged or reused and surplus excavated material shall become the property of the Contractor and shall be disposed of as provided in Section 14-10 "Solid Waste Disposal and Recycling" of the State Specifications.

Part of the cost of manhole removal is the extension of the 12" sewer main to tie into the new manhole.

Payment for "Remove Sewer Manhole," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

SEWER BYPASS SYSTEM

The Contractor shall provide a sewer pump bypass plan to the city engineer for approval, prior to the start of work. The Contractor shall provide for the flow of the sewage around the section of sewer lines designated for replacement. The bypass shall be made by plugging the line at an existing upstream manhole, or other approved access point, and pumping or directing the flow to a downstream manhole or adjacent sanitary sewer system. The Contractor shall provide a back-up pump set up at a higher elevation in the manhole in case of failure of the primary pump.

If sewage back up or spills occur, and enter buildings or property, the contractor shall be responsible for cleanup, repairs, property damage costs, fines and claims. The Contractor shall be responsible for continuity of sanitary sewer service to any facility connected to the section of sewer during the execution of the work.

- "Orchard Lane" existing sewer flow rate ranges from approximately between 1,800 GPM to 2,700 GPM (4 cfs to 6 cfs).

Payment for "Sewer Bypass System," shall be at the contract lump sum price as set forth in the proposal and shall include all labor, materials, tools, equipment and all work necessary for the completion of this item.

SHORING AND BRACING

The Contractor shall comply with all local, State and Federal Regulations and guidelines for health and safety issues during the work including but not limited to documentation, equipment, appurtenances, and worker qualifications, experience and training.

All excavations shall be made in accordance with the Trench Construction Safety Orders issued by the Division of Industrial Safety of the Department of Industrial Relations of the State of California including Chapter 9, Section 6705 and the California Labor Code.

Attention is directed to Section 7-1.02K(6)(b), "Excavation Safety" of the State Standard Specifications.

Contractor shall, prior to beginning construction, obtain from the Division of Industrial Safety the permit required by California Labor Code, Section 6500, and pay any fee charged for such permit. Whenever the WORK under the Contract involves trench excavation five feet or more in depth, the CONTRACTOR shall submit for approval to a registered civil or structural engineer representing the OWNER, in advance of excavation, shop drawings showing the design and details of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation. If such plan varies from the shoring system standards established by the Construction Safety Orders of the Division of Industrial Safety, the plan shall be prepared by a registered civil or structural engineer.

If there is any non-compliance with the shoring and/or the shop drawings for a protective system, then the Contractor shall stop work in that area until there is compliance.

Job site safety and compliance with OSHA and CAL-OSHA requirements is solely the responsibility of the Contractor.

Payment for "Shoring and Bracing," shall be at the contract lump sum price as set forth in the proposal and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

CLSM SLURRY UPRR CROSSING

Contractor shall abandon the existing sewer crossing underneath the UPRR right-of-way of 100 feet. The existing pipe within the casing shall be removed and the casing shall be slurried with a Controlled Low Strength Material (CLSM) with a compressive strength of 300psi. All work shall be done outside of the UPRR Right of Way.

The casing is believed to be 28-inch steel. All work shall conform to the "Abandonment Procedures" within the UPRR Permit.

Payment for "CLSM Slurry UPRR Crossing," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

CLSM SLURRY HWY 99 PIPELINE

Contractor shall abandon the existing sewer pipe from station 0+00 to approximate station 5+20 where the existing manhole needs to be abandoned.

CLSM shall meet Caltrans Standard 19-3.02G Controlled Low-Strength Material with a compressive strength of 50 to 100 psi at 28 days. The slurry must be flowable to reach the 500-foot length.

The slurry is only for the existing pipe that is believed to be a 21" PVC sewer main.

Payment for "CLSM Slurry Hwy 99 Pipeline," shall be at the contract unit price as set forth in the proposal and shall include all labor, materials, tools, equipment, and all work necessary for the completion of this item.

ASPHALT CONCRETE

This work shall consist of applying tack coat and hot mix asphalt in accordance with the plans and these Special Provisions. One lane of Main Street must remain open at all times asphalt concrete construction activities and traffic control must be provided.

Hot Mix Asphalt – Hot Mix Asphalt shall be Type A in accordance with the provisions in Section 39, "Hot Mix Asphalt" of the State Specifications.

Hot mix asphalt shall conform to Section 39 of the State Specifications and shall be HMA Type A using PG 64-10 asphalt binder. Aggregate used in the base and intermediate layers shall be ¾" maximum, medium grading and the final wearing course should be Type A, ½" maximum, medium grading. Sections of paving to receive greater than 3" of new hot mix asphalt shall be paved in two separate lifts. Hot mix asphalt shall be spread in the number of layers indicated in Section 39-6, "Spreading and Compacting" of the Standard Specifications and shall be compacted with approved equipment as delineated in the State Specifications.

Hot mix asphalt shall be produced at an established commercial mixing plant. The aggregate and asphalt binder shall be heated and mixed thoroughly. Prime binder (tack coat) of asphaltic emulsion shall be applied to the vertical and flat areas to be surfaced in accordance with Section 39-4 of the Standard Specifications. Prime coat will not be required on base rock. Asphaltic emulsion shall be type SS1 unless otherwise permitted by the engineer.

Asphalt Concrete shall be included in the bid for "Direct Bury PVC Sewer" as set forth in the proposal and shall include all labor, materials, tools, equipment, compaction, and all work necessary for the completion of this item.

TACK COAT APPLICATION

Immediately prior to placing the final asphalt lift, a tack coat of asphalt emulsion shall be applied to all edges where new asphalt is placed against existing pavement surfaces and along the outside edge of the gutter pan and in all vertical surfaces. The tack coat shall be applied uniformly at a rate of 0.02 – 0.10 gal/yd² of surface covered. The application temperature shall be a minimum 290°F to assure uniform distribution. The contractor shall make every effort to keep the gutter pan clean, and shall apply the tack coat adjacent to the gutter pan with a hand held applicator nozzle. Contractor shall thoroughly remove asphalt cement and clean any surfaces not scheduled for overlay.

Payment for "Tack Coat Application," shall be considered as included in the price paid for various contract items of work involved and no additional compensation will be made. This includes all labor, materials, tools, equipment, and all work necessary to complete this item.

AGGREGATE BASE

The Contractor shall furnish and install aggregate base in accordance with the current City of Merced Standards, the Plans, and these Special Provisions.

Aggregate base shall be Class 2 and conforms to the ¾-inch maximum grading provisions in Section 26, "Aggregate Bases" of the State Standard Specifications. Native subgrade material shall be moisture conditioned to at least 3% above the optimum moisture content, compacted to at least 90% but not more than 95% relative compaction as determined by ASTM D1557A.

Full compensation for "Aggregate Base," shall be paid for under the individual items for sidewalk, curb & gutter and trench backfill within Orchard Lane.

RESTORATION

The Contractor shall restore all areas adjacent to the construction area and areas affected during construction to their preconstruction condition. Specifically included in this item are fencing, Caltrans drainage basin, the property on Orchard Lane, and all items damaged during construction.

The cut bank within Caltrans Right-of Way shall be replaced to original contours and sprayed with artificial grass. Sod shall be used at the residence on Orchard Lane. Caltrans fence along 16th Street used for ingress and egress shall be replaced to original condition.

Payment for "Restoration," shall be at the lump sum price paid as set forth in the proposal and shall include all labor, materials, tools, equipment, compaction, and all work necessary for the completion of this item.

EXHIBIT "C"- SPECIAL CONDITIONS

ARTICLE 1 BONDS

Within ten (10) calendar days from the date the Contractor is notified of award of the Contract, the Contractor shall deliver to the City four identical counterparts of the Performance Bond and Payment Bond on the forms supplied by the City and included as Exhibit "F" to the Contract. Failure to do so may, in the sole discretion of City, result in the forfeiture of Contractor's bid security. The surety supplying the bond must be an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, authorized to do business as such in the State of California and satisfactory to the City. The Performance Bond and the Payment Bond shall be for one hundred percent (100%) of the Total Contract Price.

EXHIBIT "D"

CONTRACTOR'S CERTIFICATION REGARDING
WORKERS' COMPENSATION

I, the undersigned Contractor, am aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I, the undersigned Contractor, agree to and will comply with such provisions before commencing the performance of the Work on this Contract.

Mid Cal Pipeline & Utilities, Inc.
[INSERT CONTRACTOR NAME]

By: Tammy L. Fausone
Signature

Tammy L. Fausone
Name (Print)

Corporate Officer/Secretary
Title (Print)

EXHIBIT "E"
PUBLIC WORKS CONTRACTOR REGISTRATION
CERTIFICATE

Pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. See <http://www.dir.ca.gov/Public-Works/PublicWorks.html> for additional information.

No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work.

Bidder hereby certifies that it is aware of the registration requirements set forth in Labor Code sections 1725.5 and 1771.1 and is currently registered as a contractor with the Department of Industrial Relations.1

Name of Bidder: Mid Cal Pipeline & Utilities, Inc.

DIR Registration Number:
1000000095

DIR Registration Expiration: 06/30/2025

Small Project Exemption: Yes or x No

Unless Bidder is exempt pursuant to the small project exemption, Bidder further acknowledges:

Bidder shall maintain a current DIR registration for the duration of the project.

Bidder shall include the requirements of Labor Code sections 1725.5 and 1771.1 in its contract with subcontractors and ensure that all subcontractors are registered at the time of bid opening and maintain registration status for the duration of the project.

Failure to submit this form or comply with any of the above requirements may result in a finding that the bid is non-responsive.

Name of Bidder Mid Cal Pipeline & Utilities, Inc.

Signature

Name and Title Tammy L. Fausone, Corporate Office/Secretary

Dated 03/29/2023

If the Project is exempt from the contractor registration requirements pursuant to the small project exemption under Labor Code Sections 1725.5 and 1771.1, please mark "Yes" in response to "Small Project Exemption."