

A G R E E M E N T

THIS AGREEMENT, made and entered into this _____ day of _____, by and between the CITY OF MANHATTAN BEACH, a municipal corporation, hereinafter referred to as "CITY" and Ellison Environmental, Inc. dba Fluid Resource Management, hereinafter referred to as "CONTRACTOR". City and Contractor hereby agree as follows:

1. That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the City, and under the conditions expressed in the three bonds, bearing even date with these presents, and hereunto annexed, the Contractor agrees with the City, at his own proper cost and expense, to do all the work and furnish all the materials, except such as are mentioned in the Specifications to be furnished by said City, necessary to complete in a good, workmanlike and substantial manner the improvements for the:

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.

in accordance with the specifications and Special Provisions therefor, and also in accordance with the Specifications entitled "Standard Specifications for Public Works Construction, Latest Edition" and all supplements thereto, which said Special Provisions and Standard Specifications are hereby specially referred to and by such reference made a part hereof.

Said work to be done as shown in the attached scope of work:

Exhibit A, Sheets 1 to 2

2. Said Contractor agrees to receive and accept the following prices as full compensation for furnishing all materials and doing all the work contemplated and embraced in this Agreement; also for all loss or damage arising out of the nature of the work aforesaid, or from the acts of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the City of Manhattan Beach and for all risks of every description connected with the work; also for all expenses incurred by or in consequence of the suspension or discontinuance of work, and for well and faithfully completing the work, and the whole thereof, in the manner and according to the Plans and Specifications, and requirements of the Engineer under them, to wit:

Total Cost in Writing: \$160,000

3. The complete contract consists of the following documents: This Agreement, Exhibit A (Scope of work), Exhibit B (Labor Law Requirements), Performance Bond, Labor and Materials Bond, and Defective Materials, Workmanship and Equipment Bond.

All rights and obligations of City and Contractor are fully set forth and described in the contract documents.

All of the above named documents are intended to cooperate so that any work called for in one and not mentioned in the other, or vice versa, is to be executed the same as if mentioned in all said documents.

A G R E E M E N T
(Continued)

4. The said City hereby promises and agrees with the said Contractor to employ, and does hereby employ the said Contractor to provide the materials and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions above set forth; and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

5. It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid or proposal of said Contractor, then this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said proposal conflicting herewith.

IN WITNESS WHEREOF, the City has by action of its City Council authorized this Agreement to be executed for and on behalf of the City by its Mayor and attested by its City Clerk, and the Contractor has caused the same to be executed by his duly authorized officer.

Contractor

By _____
Its

and

By _____
Its

Address

ATTEST:

CITY OF MANHATTAN BEACH

Liza Tamura, City Clerk

Mark Danaj, City Manager

The foregoing agreement is hereby
approved by me as to form

Public Works Approval

City Attorney

CITY OF MANHATTAN BEACH
PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____
as principal, and _____,

a corporation, incorporated, organized, and existing under the laws of the State of _____ and authorized to execute bonds and undertakings and to do a general surety business in the State of California, as Surety, are jointly and severally held and firmly bound unto the City of Manhattan Beach, a municipal corporation, located in the County of Los

Angeles, State of California, in the full and just sum of _____
_____ Dollars (\$_____), lawful money of the

United States of America, for the payment of which sum, well and truly to be made, we bind ourselves and our respective heirs, executors, administrators, representatives, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that:

WHEREAS, said principal has entered into, or is about to enter into, a certain written contract or agreement, dated as of the _____ day of _____, 2017, with the said City of Manhattan Beach for

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.

all as is more specifically set forth in said contract or agreement, a full, true, and correct copy of which is hereunto attached, and hereby referred to and by this reference incorporated herein and made a part hereof.

NOW, THEREFORE, if the said Principal _____ shall faithfully and well and truly do, perform and complete, or cause to be done, performed and completed, each and all of the covenants, terms, conditions, requirements, obligations, acts and things, to be met, done or performed by said Principal, as set forth in, or required by, said contract or agreement, all at and within the time or times, and in the manner as therein specified and contemplated, then this bond and obligation shall be null and void; otherwise it shall be and remain in full force, virtue and effect.

The said Surety, for value received, hereby stipulates and agrees that no amendment, change, extension of time, alteration or addition to said contract or agreement, or of any feature or item or items of performance required therein or thereunder, shall in any manner affect its obligations on or under this bond; and said Surety does hereby waive notice of any such amendment, change, extension of time, alteration, or addition to said contract or agreement, and of any feature or item or items of performance required therein or thereunder.

PERFORMANCE BOND

(Continued)

In the event any suit, action, or proceeding is instituted to recover on this bond or obligation, said Surety will pay, and does hereby agree to pay, as attorney's fees for said City, such sum as the Court in any such suit, action or proceeding may adjudge reasonable.

EXECUTED, SEALED, and DATED this _____ day of _____, 20__.

(CORPORATE SEAL)

Principal

(CORPORATE SEAL)

Surety

The foregoing bond is hereby approved
by me as to form

City Attorney

CITY OF MANHATTAN BEACH Bond No. _____
LABOR AND MATERIALS BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____

as principal, and _____

as surety, are held and firmly bound unto the CITY OF MANHATTAN BEACH, State of California, in the sum of

_____ (\$ _____) lawful money of the

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

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH, that:

WHEREAS, said principal has been awarded and is about to enter into a written contract or agreement with the City of Manhattan Beach for

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.

all as is more specifically set forth in said contract or agreement, a full, true, and correct copy of which is hereunto attached, and hereby referred to and by this reference incorporated herein and made a part hereof.

NOW, THEREFORE, if the said principal as Contractor in said contract or agreement, or principal's subcontractor, fails to pay for any materials, provisions, provended or other supplies or teams, equipment, implements, trucks, machinery or power used in, upon or for or about the performance of the work contracted to be done, or for any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Act of the State of California or for any amounts required to be deducted, withheld and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his subcontractors pursuant to Section 18806 of the Revenue and Taxation Code with respect to such work or labor, the surety on this bond will pay the same in an amount not exceeding the sum hereinabove specified in this bond.

This bond is executed pursuant to the provisions of Chapter 5 of Division 4, Part 6, Title 3, of the Civil Code of the State of California, and shall inure to the benefit of any and all persons entitled to file claims under Chapter 5 of Division 4, Part 6, Title 3 of the Civil Code of California as now or hereafter amended. No premature payment by said City to said principal shall exonerate any surety unless the City Council of said City shall have actual notice that such payment is premature at the time and it is ordered by said Council, and then only to the extent that such payment shall result in loss to such surety, but in no event more than the amount of such premature payment.

LABOR AND MATERIALS BOND
(Continued)

This bond is executed and filed in connection with said contract or agreement hereunto attached to comply with each and all of the provisions of the laws of the State of California above mentioned or referred to, and to all amendments thereto, and the obligors so intend and do hereby bind themselves accordingly.

The said surety, for value received, hereby stipulates and agrees that no amendment, change, extension of time, alteration, or addition to said contract or agreement, or of any feature or item or items of performance required therein or thereunder, shall in any manner affect its obligation on or under this bond; and said surety does hereby waive notice of any such amendment, change, extension of time, alteration, or addition to said contract or agreement, and of any feature or item or items of performance required therein or thereunder.

WITNESS our hands this _____ day of _____, 2017.

Principal

Surety

The foregoing bond is hereby
approved by me as to form.

City Attorney

CITY OF MANHATTAN BEACH
DEFECTIVE MATERIALS, WORKMANSHIP, AND EQUIPMENT BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____,
as principal, and _____,

a corporation organized and existing under the laws of the State of _____, and
authorized to do a general surety business in the State of California, as Surety, are
held and firmly bound unto the City of Manhattan Beach (hereinafter called Owner), a
municipal corporation of the State of

California, in the full and just sum of _____
_____ Dollars (\$_____), lawful money of the United

States of America, for which sum, well and truly to be paid, we bind ourselves, our
heirs, executors, administrators, successors and assigns, jointly and severally,
firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that:

WHEREAS, the said Principal entered into a certain contract with the obligee,
dated on or about _____ for the
construction of

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.

WHEREAS, the Principal contracted to give the obligee a surety bond in the sum
of _____

Dollars (\$_____), conditioned that the Principal would make good and
protect the said obligee against the results of materials, equipment, or workmanship
which are inferior, defective, or not in accordance with the terms of said contract
having been used or incorporated in any part of the work so contracted for, which
shall have appeared or been discovered, within the period of one (1) year from and
after the completion and final acceptance of the work done under said contract.

NOW, THEREFORE, if the Principal shall well and truly make good and protect the
said obligee against the results of materials, equipment, or workmanship which are
inferior, defective, or not in accordance with the terms of said contract having been
used or incorporated in any part of the work performed under said contract, which
shall have appeared or been discovered within said one (1) year period from and after
completion and final acceptance of said work, then this obligation shall be null and
void; otherwise to remain in full force and effect.

DEFECTIVE MATERIALS, WORKMANSHIP, AND EQUIPMENT BOND
(Continued)

SIGNED, SEALED, and DATED this _____ day of _____, 2017.

Principal

Surety

The foregoing bond is hereby approved
by me as to form

City Attorney

CITY OF MANHATTAN BEACH
1400 HIGHLAND AVENUE
MANHATTAN BEACH, CALIFORNIA 90266

INSURANCE ENDORSEMENT FORM #1 (GENERAL)

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent expression in the policy to which this endorsement is attached, or in any other endorsement now or hereafter attached thereto, or made a part thereof, the protection afforded by said policy shall include the following:

1. Additional Insured. With respect to such insurance as is afforded by this policy, the City of Manhattan Beach and its officers, employees, elected officials, volunteers, and members of boards and commissions shall be named as additional insured. This additional insured coverage only applies with respect to liability of the named insured or other parties acting on their behalf arising out of the activities of the undertaking specified in paragraph No. 5 below (Indemnification Clause).
2. Cross Liability Clause. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability.
3. Occurrence Based Policy. This policy shall be an "occurrence based policy."
4. Primary Insurance. For the risks covered by this endorsement this insurance shall provide primary insurance to the City to the exclusion of any other insurance or self-insurance program the City may carry with respect to claims and injuries arising out of activities of the Contractor or otherwise insured hereunder.
5. Indemnification Clause. The underwriters acknowledge that the named insured shall indemnify and save harmless the City of Manhattan Beach against any and all claims resulting from the wrongful or negligent acts or omissions of the named insured or other parties acting on their behalf in the undertaking specified as (list activity location and date(s) of event to include set-up and cleanup dates):

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.
6. Investigation and Defense Costs. Said hold harmless assumption on the part of the named insured shall include all reasonable costs necessary to defend a lawsuit including attorney fees, investigators, filing fees, transcripts, court reporters, and other reasonable costs of investigation and defense.
7. Reporting Provisions. Any failure to comply with the reporting provisions of the policy shall not affect coverage provided to the City.
8. Cancellation. This policy shall not be cancelled except by written notice to the Risk Manager at: City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, CA, 90266, at least thirty (30) days prior to the date of such cancellation.
9. Limits of Liability. This policy shall provide minimum limits of liability of \$ 2,000,000.00 , combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts or omissions by the named insured.

INSURANCE ENDORSEMENT FORM #1
(GENERAL)
(Continued)

10. Comprehensive Coverage. This policy shall afford coverage at least as broad as Commercial General Liability "Occurrences" Form CG0001 and shall include the following:

A. General Liability

- (1) Comprehensive Form
- (2) Premises/Operations
- (3) Independent Contractors Liability
- (4) Broad Form Property Damage
- (5) Personal Injury
- (6) Products, Completed Operations
- (7) Contractual
- (8) Explosions, collapse, or underground property damage.

NOTE: If this is a Homeowner's Policy in lieu of Commercial General Liability, it shall afford coverage at least as broad as Homeowners ISO Form HO II (Ed 9-70) California and shall include comprehensive personal liability.

This policy shall provide the dollar limit specified in paragraph 9 with the following additional coverage where boxes below are checked:

- _____ 11. Host Liquor Liability
- _____ 12. Liquor Law Liability
- _____ 13. Other

The limits of liability as stated in this endorsement apply to the insurance afforded by this endorsement notwithstanding that the policy may have lower limits of liability elsewhere in the policy.

This endorsement is effective _____ at 12:01 a.m. and forms a part of Policy No. _____.

Named Insured _____

Name of Insurance Company _____

I, _____ (print/type name), warrant that I have authority to bind the above listed insurance company, and by my signature hereon do so bind this company.

By _____
Signature of Authorized Representative

Approved _____
City Risk Manager Date

PLEASE ATTACH CERTIFICATE OF INSURANCE

CITY OF MANHATTAN BEACH
1400 HIGHLAND AVENUE
MANHATTAN BEACH, CALIFORNIA 90266

INSURANCE ENDORSEMENT FORM #2 (AUTO)

This endorsement is issued in consideration of the policy premium. Notwithstanding any inconsistent expression in the policy to which this endorsement is attached, or in any other endorsement now or hereafter attached thereto, or made a part thereof, the protection afforded by said policy shall include the following:

1. Additional Insured. With respect to such insurance as is afforded by this policy, the City of Manhattan Beach and its officers, employees, elected officials, volunteers, and members of boards and commissions shall be named as additional insured. This additional insured coverage only applies with respect to liability of the named insured or other parties acting on their behalf arising out of the activities of the undertaking specified in paragraph No. 5 below (Indemnification Clause).
2. Cross Liability Clause. The insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability.
3. Occurrence Based Policy. This policy shall be an "occurrence based policy."
4. Primary Insurance. For the risks covered by this endorsement this insurance shall provide primary insurance to the City to the exclusion of any other insurance or self-insurance program the City may carry with respect to claims and injuries arising out of activities of the Contractor or otherwise insured hereunder.
5. Indemnification Clause. The underwriters acknowledge that the named insured shall indemnify and save harmless the City of Manhattan Beach against any and all claims resulting from the wrongful or negligent acts or omissions of the named insured or other parties acting on their behalf in the undertaking specified as (list activity location and date(s) of event to include set-up and cleanup dates):

Emergency Stormwater Pumps Station Repairs at 23rd St. and Peck Ave.
6. Investigation and Defense Costs. Said hold harmless assumption on the part of the named insured shall include all reasonable costs necessary to defend a lawsuit including attorney fees, investigators, filing fees, transcripts, court reporters, and other reasonable costs of investigation and defense.
7. Reporting Provisions. Any failure to comply with the reporting provisions of the policy shall not affect coverage provided to the City.
8. Cancellation. This policy shall not be cancelled except by written notice to the Risk Manager at: City of Manhattan Beach, 1400 Highland Avenue, Manhattan Beach, CA, 90266, at least thirty (30) days prior to the date of such cancellation.
9. Limits of Liability. This policy shall provide minimum limits of liability of \$1,000,000.00, combined single limit coverage against any injury, death, loss or damage as a result of wrongful or negligent acts or omissions by the named insured.

INSURANCE ENDORSEMENT FORM #2
(AUTO)
(CONTINUED)

10. Scope of Coverage. This policy shall afford coverage at least as broad as Insurance Services Office Form No. CA0001 (Ed 1/78), Code 1 ("any auto") and shall include the following:

A. Auto Liability

- (1) Any auto
- (2) All owned autos (Private Passengers)
- (3) All owned autos (other than Private Passengers)
- (4) Hired autos
- (5) Non-owned autos (for business purposes)
- (6) Other

The limits of liability as stated in this endorsement apply to the insurance afforded by this endorsement notwithstanding that the policy may have lower limits of liability elsewhere in the policy.

This endorsement is effective _____ at 12:01 a.m. and forms a part of Policy No. _____.

Named Insured _____

Name of Insurance Company _____

I, _____ (print/type name), warrant that I have authority to bind the above listed insurance company, and by my signature hereon do so bind this company.

By _____
Signature of Authorized Representative

Approved _____
City Risk Manager Date

PLEASE ATTACH CERTIFICATE OF INSURANCE

CITY OF MANHATTAN BEACH

PROPOSED SECURITY DEPOSITS IN LIEU OF RETENTION

Pursuant to Sections 10263 and 22300 of the Public Contract Code of the State of California, the Contractor shall list below his proposed securities in lieu of retention, or request that payment of retentions be made directly to an escrow agent. Only those securities listed in Section 16430 of the California Government Code are acceptable to the City.

<u>Security</u>	<u>Expiration Date</u>	<u>Value in Dollars</u>
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

<u>Escrow Office</u>	<u>Escrow Agent</u>	<u>Address</u>	<u>Telephone</u>
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The absence of any proposed security deposits (to be listed above), or information designating an escrow arrangement, and/or the Contractor's signature, shall constitute an acceptance by the Contractor that a ten percent (10%) deduction from any and all payments to him shall be withheld by the Agency until the expiration of 35 calendar days from the date of acceptance by the Agency, of the work as complete. Monies withheld by the Agency shall bear no interest payable to the Contractor upon their release.

Contractor:

Title

Name

Signature

PROGRESS PAYMENT REQUEST FORM

TO: CITY OF MANHATTAN BEACH
 Engineering Division, 1400 Highland Avenue, Manhattan Beach, CA 90266

FROM: PROJECT TITLE _____
 PROJECT NO. _____

FROM: Contractor _____ Date _____
 Address _____
 Telephone _____
 Submitted by: _____

Progress Estimate # _____
 Contract Award Amount \$ _____

No.	Description	Contract Quantity	Previous Quantity	Quantity This Estimate	Unit Price	Amount This Estimate	Total Quantity To Date	Total Amount To Date
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
	Total							
	Less Retention							
	Less Previous Billing(s)							
	Total Amount Due							

City Approval: _____

Date: _____

SPECIAL PROVISIONS

The Standard Specifications of the Agency are contained in the latest Edition of the Standard Specifications for Public Works Construction, including all supplements.

The Standard Specifications set forth above will control the general provisions, construction materials, and construction methods for this contract except as amended by the Plans, Special Provisions, or other contract documents. The following Special Provisions are supplementary and in addition to the provisions of the Standard Specifications unless otherwise noted and the section numbers of the Special Provisions coincide with those of the said Standard Specifications. Only those sections requiring elaborations, amendments, specifying of options, or additions are called out. Should there be any discrepancies between the following provisions and the Standard Specifications For Public Works Construction (Latest Edition), the provisions contained herein shall control.

PART 1

GENERAL PROVISIONS

Section 1 - Terms and Definitions

Definitions:

Whenever in the Standard Specifications or the Special Provisions the following terms are used, they shall be understood to mean and refer to the following:

AGENCY:	CITY OF MANHATTAN BEACH
BOARD:	CITY COUNCIL OF THE CITY OF MANHATTAN BEACH
CITY:	CITY OF MANHATTAN BEACH
ENGINEER:	DIRECTOR OF PUBLIC WORKS OF THE CITY OF MANHATTAN BEACH, acting either directly or through properly authorized agents, such agents acting within the scope of the particular responsibilities entrusted to them.
INSPECTOR:	That person or persons designated by the Engineer.
LABORATORY:	The designated laboratory or laboratories authorized by the ENGINEER to test materials and work pertinent to the performance of the contractual work.

Other terms appearing in the Standard specifications shall have the intent and meaning specified therein.

Section 2 - Scope and Control of the Work

2-3.3 Subcontractors Add the following subsections:

Subcontractors shall be listed by the bidder in accordance with these specifications and must be properly licensed under the laws of the State of California for the type of work which they are to perform.

2-3.4

Subcontractor whose prosecution of the work is not satisfactory shall be terminated immediately by the Contractor upon the receipt of a written notice by the Engineer. Subcontractors whose work was determined to be unsatisfactory

shall not be allowed to perform any work on the job site.

2.4 Contract Bonds

Add the following to the first paragraph:

All bonds used to satisfy the Agency's requirements shall have a current A.M. Best's rating of not less than A-VII unless otherwise approved by the City.

Substitute the following for the third paragraph:

As a part of the execution of this contract, the Contractor shall furnish to the City a bond of a surety company acceptable to the City, in a sum of one hundred percent (100%) of the total contract amount, as the sum set forth in the agreement for payment in full of all persons, companies, or corporations who perform labor upon or furnish material to be used in the work under this contract. Said bond shall be in the form of the Labor and Material Bond contained within these Specifications.

Substitute the following for the fourth paragraph:

As a part of the execution of this contract, the Contractor shall furnish to the City a bond payable to the City in the form of a Faithful Performance Bond as set forth in these Specifications. The performance bond shall be secured by a surety company acceptable to the City, conditioned upon the faithful performance of all covenants and stipulations under this contract. The amount of the bond shall not be less than one hundred percent (100%) of the total contract amount, as this sum is set forth in the agreement.

Add the following paragraph to this section:

As a condition precedent to the completion of this contract, the Contractor shall furnish a bond of a surety company acceptable to the City in the amount equal to ten percent (10%) of the total contract amount to hold good for a period of one (1) year after the completion and acceptance of the work to protect the City against the results of defective materials, workmanship, and equipment during that time. This bond shall be delivered to the City prior to issuance of final payment under this contract. Said bond shall be in the same form as the form of Defective Materials, Workmanship, and Equipment Bond contained within these Specifications.

2-5.2 Precedence of Contract Documents This section shall be revised to read:

The order of precedence of documents shall be:

First: Requirements of law.

Second: Permits from other agencies as may be required by law.

Third: Permits from the City of Manhattan Beach as may be required by law.

Fourth: Special Provisions.

Fifth: Contract Plans.

Sixth: Standard Plans.

Seventh: Standard Specifications.

Eighth: Reference Specifications.

Change orders, supplemental agreements, and approved revisions to Plans and Specifications shall take precedence over documents listed above, except those listed as First, Second, and Third. Detailed plans shall have precedence over general plans. Reference Specifications or sections thereof,

when cited in the Special Provisions, shall, by that reference, become a portion of the Special Provisions and be ranked in precedence of documents accordingly.

2-6 Work To Be Done

The following paragraphs shall be added following paragraph one:

All work which is defective in its construction or deficient in any of the requirements of the Plans and Specifications shall be remedied or removed and replaced by the Contractor in an acceptable manner at his own expense. No compensation will be allowed for any work done beyond the lines and grades shown on the Plans or established by the Engineer. Upon failure on the part of the Contractor to comply with any order of the Engineer made under the provisions of this article, the Engineer and City may cause the defective work to be remedied or removed and replaced at the expense of the Contractor.

Any unauthorized or defective work, defective material or workmanship or any unfaithful or imperfect work that may be discovered before final acceptance of work by the board shall be corrected immediately with no extra charge even though it may have been overlooked in previous inspections and estimates or may have been caused due to failure to inspect the work.

2-9.1 Permanent Survey Markers

Substitute the following for the first paragraph:

Contractor is responsible for preservation and/or perpetuation of all monuments, lot stakes (tagged), and benchmarks which control subdivisions, tracts, boundaries, streets, highways, other rights-of-way, easements, or provide survey control which will be disturbed or removed due to Contractor's work. Contractor shall provide a Land Surveyor or a Registered Civil Engineer authorized to practice land surveying within the state prior to disturbance or removal of existing monuments. The Contractor's Registered (licensed) Land Surveyor or Registered Civil Engineer authorized to practice within the state shall coordinate with contractor to reset monuments or provide permanent witness monuments and file the required documentation with the Office of the County Surveyor pursuant to Business and Professions Code Section 8771.

2-10 Authority of Boards and Inspectors

Substitute the following for the second paragraph:

The Engineer shall decide any and all questions which may arise as to the quality or acceptability of materials furnished and work performed, and as to the manner of performance and rate of progress of the work; all questions which arise as to the interpretation of the Plans and Specifications; all questions as to the acceptable fulfillment of the contract by the Contractor; and all questions as to claims and compensation.

Add the following paragraphs:

2-10.1 Inspection

An inspector shall in no case act as foreman or perform other duties for the Contractor, nor interfere with the Contractor's management of the work. Any advice which an inspector may give the Contractor shall not be binding to the Engineer or to the City, or release the Contractor from fulfilling all the terms of the contract.

No partial payment, inspection, taking possession of, or other act made or done by the Engineer or the City with respect to the work prior to final completion and acceptance thereof shall affect or prejudice the right of the

Engineer or the City to reject any defective work or material or to require the complete fulfillment of all the provisions of the contract.

If the Engineer deems it expedient and not in the best interest of the City to correct work injured or done not in accordance with the contract, the defective work may be accepted subject to an equitable deduction from the contract price which may be made therefor by the City upon certification from the Engineer.

Reexamination of any work may be ordered by the Engineer at any time prior to final acceptance and, if so ordered, the work must be uncovered by the Contractor. If such work be found in accordance with the contract, the City will pay the cost of reexamination and replacement. If such work be found defective or not in accordance with the contract, the Contractor shall pay such costs.

2-10.2 Cooperative with Other Work.

The City may award other contracts for additional work, and the Contractor shall fully cooperate with such other Contractors and carefully fit Contractor's own work to that provided under the contracts as may be directed by the Engineer. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor.

Section 3 - Changes in Work

3-2 Changes Initiated by Agency.

3-2.2.1 Delete this section. Replace with the following:

Increase or decrease in quantities shall be based on the contract's unit prices.

3-3 Extra Work.

3-3.1 General

Add the following at the end of Subsection 3-3.1:

Any extra work must be authorized by the Engineer and payment thereto shall be based on prevailing construction prices in the locality. Any extra work performed by the Contractor without prior authorization shall be considered included in the cost of the bid items mentioned in the Contractor's Proposal and no separate payment shall be made therefor.

If extra work is performed and payment is based on labor, materials, and equipment costs, the Contractor may not include in the labor costs, wages paid to supervisory personnel whose presence on the job site would normally be required.

3-3.2.3 Delete this section. Replace with the following:

- (a) **Work by Contractor.** The following percentages shall be added to the Contractor's costs and shall constitute the markup for all overhead and profits:

1)	Labor	20
2)	Materials	15
3)	Equipment Rental	15
4)	Other Items and Expenditures	15

To the sum of the costs and markups provided for in this subsection, 1 percent shall be added as compensation for

bonding.

- (b) **Work by Subcontractor.** When all or any part of the extra work is performed by a Subcontractor, the markup established in 3-3.2.3(a) shall be applied to the Subcontractor's actual cost of such work. A markup of 10 percent on the first \$5,000 of the subcontracted portion of the extra work and a markup of 5 percent on work added in excess of \$5,000 of the subcontracted portion of the extra work may be added by the Contractor.

Section 4 - Control of Materials

4-1.1 General

Substitute the following for the first paragraph:

All materials used in the construction of the improvements under this contract shall be new and of properties best suited for the work required. Wherever applicable, materials shall conform to the latest Standards of the American Society for Testing Materials. All workmanship in the fabrication, assembly and construction of materials and equipment shall be neat and workmanlike in every respect. All equipment offered shall be of the manufacturer's latest design.

Add at the end of Section 4-1:

4-1.9 Warranties, Guarantees, and Instruction Sheets

All equipment, materials, and workmanship furnished under this contract shall be guaranteed for a period of one (1) year from the date of acceptance thereof against all defects that might render the work unsatisfactory during its normal operation. Defective materials and workmanship which become apparent during the guarantee period shall be replaced by the Contractor at his expense, together with the repair or replacement of any adjacent work, which may have been damaged by reason of the defective material, or during the process of its repair or replacement.

Manufacturer's warranties and guarantees furnished for materials used in the work, instruction sheets, and parts lists supplied with materials shall be delivered to the Engineer prior to acceptance of the project.

Section 5 - Utilities

5-1 Location

Add at the end of Subsection 5-1.

The location of existing piping and underground utilities, such as sewer, buried telephone, cable television, water mains, electric duct lines, etc., as shown on the contract drawings have been determined from the best available information, by actual surveys or furnished and taken from the records of the parent utility companies and drawings of existing facilities. However, the City does not assume the responsibility that record information as furnished by the utility companies and drawings of existing facilities is complete, accurate, and in sufficient detail to adequately locate all facilities within the construction area. The Contractor shall verify the detailed locations of all facilities as shown on the plans prior to starting work in the area.

5-2 Protection

Add the following paragraphs at the end of Subsection 5-2:

At least two working days prior to commencing work within the area, the Contractor shall request the utility owners to identify or otherwise indicate the location of their subsurface facilities. It shall be the Contractor's responsibility to determine the location and depth of all utilities including service connections which have been marked by the representative owners and which he believes may affect or be affected by the work. Full compensation for the ascertainment of utility locations and depths shall be considered included in the prices bid for the other items of work.

All utilities shall be notified by the Contractor in advance, according to their respective advance notice requirements, prior to excavating adjacent to, altering, or in any way modifying their facilities. The Contractor, at his expense, shall maintain in service all existing utilities. Should interruption of such utilities become necessary, the property owners and residents affected shall be notified 48 hours before the interruption.

The Contractor shall protect, support, or perform any other work necessary in order to maintain the operation of utilities in the proximity of the work area. The Contractor shall inform the Engineer in writing of all utilities omitted from or shown incorrectly on the contract plans. The Contractor shall not be entitled to damages or additional payment for delays attributable to utility relocations or alterations not shown or incorrectly delineated on the contract plans. The Contractor shall conduct his operations so as to permit access to the work site by any affected utility necessary for the relocation or modification to the utility system at no cost to the City.

Any interference by the Contractor with City-owned facilities such as, but not limited to, sewer, water, or storm drain that, in the opinion of the Engineer, creates a safety or health hazard and is not quickly repaired, said damaged facilities may be repaired by City forces and all costs of these repairs will be deducted from contract payments.

Section 6 - Prosecution, Progress and Acceptance of the Work

Add the following to section 6-2:

6-2.1 Excess Cost of City Personnel and Inspection Personnel

For any overtime or emergency work beyond a regular eight (8) hour day and for any work performed on Saturday, Sunday, or holidays, the charges for City personnel, including inspection, required on the job site shall be the responsibility of the Contractor and all costs therefor shall be deducted from the payments due the Contractor. The cost of the City personnel shall be computed pursuant to adopted City salary schedules, overtime policies, fringe benefits, and overhead costs.

6-3.1 General

Add the following paragraph following paragraph one:

In the event a suspension of work is ordered because of failure on the part of the Contractor to carry out orders given or to perform any provisions of the work, such suspension of work shall not relieve the Contractor of his responsibility to complete the work within the time limit set forth herein and shall not be considered cause for extension of the time for completion, and further, such suspension of work shall not entitle the Contractor to any additional compensation.

Add at the end of Section 6-7.2

6-7 Time of Completion.

6-7.1 Generally the time of completion shall be as noted on the Contractor's Proposal.

6-7.2.1 Hours of Work

The Contractor shall not conduct any operations or perform any work pertaining to the project as defined herein, between the hours of 5:00 p.m. and 7:30 a.m. on any day nor on Saturday, Sunday, or holidays at any time except as approved by the Engineer. In the event that the Contractor abuses the hours of work requirement, a written warning will follow. After each additional warning, a \$200.00 penalty will be deducted from the contract amount.

6-9 Liquidated Damages

The liquidated damages value is hereby amended to be \$1,000 per day.

Section 7 - Responsibilities of the Contractor in the Conduct of His Work

Revise to read as follows:

7-3 Public Liability and Property Damage Insurance

Delete section 7-3 and replace with the following:

Insurance Requirements.

Commencement of Work. CONTRACTOR shall not commence work under this Agreement until it has obtained CITY approved insurance. Before beginning work hereunder, during the entire period of this Agreement, for any extensions hereto, and for periods after the end of this Agreement as indicated below, CONTRACTOR must have and maintain in place, all of the insurance coverages required in this Section 7. CONTRACTOR'S insurance shall comply with all items specified by this Agreement. Any subcontractors shall be subject to all of the requirements of this Section 7 and CONTRACTOR shall be responsible to obtain evidence of insurance from each subcontractor and provide it to CITY before the subcontractor commences work.

All insurance policies used to satisfy the requirements imposed hereunder shall be issued by insurers authorized to do business in the State of California. Insurers shall have a current A.M. Best's rating of not less than A-VII unless otherwise approved by CITY.

Coverages, Limits and Policy Requirements. CONTRACTOR shall maintain the types of coverages and limits indicated below:

(1) COMMERCIAL GENERAL LIABILITY INSURANCE - a policy for occurrence coverage, including all coverages provided by and to the extent afforded by Insurance Services Office Form CG 0001 ed. 11/88 or 11/85, with no special limitations affecting CITY. The limit for all coverages under this policy shall be no less than two million dollars (\$2,000,000.00) per occurrence. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance"

clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 1 (General Liability) must be executed by the applicable insurance underwriters.

(2) COMMERCIAL AUTO LIABILITY INSURANCE - a policy including all coverages provided by and to the extent afforded by Insurance Services Office form CA 0001, ed. 12/93, including Symbol 1 (any auto) with no special limitations affecting the CITY. The limit for bodily injury and property damage liability shall be no less than two million dollars (\$2,000,000) per accident. CITY, its employees, officials and agents, shall be added as additional insureds by endorsement to the policy. The insurer shall agree to provide the City with thirty (30) days prior written notice of any cancellation, non-renewal or material change in coverage. The policy shall contain no provision that would make this policy excess over, contributory with, or invalidated by the existence of any insurance, self-insurance or other risk financing program maintained by CITY. In the event the policy contains such an "other insurance" clause, the policy shall be modified by endorsement to show that it is primary for any claim arising out of the work performed under this Agreement. The City of Manhattan Beach Insurance Endorsement Form No. 2 (Auto) must be executed by the applicable insurance underwriters.

(3) WORKERS' COMPENSATION INSURANCE - a policy which meets all statutory benefit requirements of the Labor Code, or other applicable law, of the State of California. Employers Liability Insurance with a minimum limit of no less than one million dollars (\$1,000,000) per claim. The policy shall contain, or be endorsed to include, a waiver of subrogation in favor of CITY.

Additional Requirements. The procuring of such required policies of insurance shall not be construed to limit CONTRACTOR'S liability hereunder, nor to fulfill the indemnification provisions and requirements of this Agreement. There shall be no recourse against CITY for payment of premiums or other amounts with respect thereto. Any deductibles or self-insured retentions must be declared to and approved by CITY. Any deductible exceeding an amount acceptable to CITY shall be subject to the following changes:

- (1) either the insurer shall eliminate, or reduce, such deductibles or self-insured retentions with respect to CITY and its officials, employees and agents (with additional premium, if any, to be paid by CONTRACTOR); or
- (2) CONTRACTOR shall provide satisfactory financial guarantee for payment of losses and related investigations, claim administration, and defense expenses.

Verification of Compliance. CONTRACTOR shall furnish CITY with original endorsements effecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by the insurer to bind coverage on its behalf. All endorsements are to be received and approved by CITY before work commences. Not less than fifteen (15) days prior to the expiration date of any policy of insurance required by this Agreement, CONTRACTOR shall deliver to

CITY a binder or certificate of insurance with respect to each renewal policy, bearing a notation evidencing payment of the premium therefor, or accompanied by other proof of payment satisfactory to CITY.

7-3.1 Contractor's Responsibility for Work

Except as provided above, until the formal acceptance of the work by the City Council, the Contractor shall have the charge and care thereof and shall bear the risk of injury or damage to any part thereof by the action of the elements or from any other cause, whether arising from the execution or from the non-execution of the work. The Contractor shall rebuild, repair, restore, and make good all injuries or damages to any portion of the work occasioned by any of the above causes before final acceptance and shall bear the expense thereof.

7-3.2

The Contractor shall indemnify and save harmless the City of Manhattan Beach, the City Council, inspection personnel, and the Engineer from any suits, claims, or actions brought by any person or persons for or on account of any injuries or damages sustained or arising in the construction of the work or in consequence thereof. The City Council may retain so much of the money due the Contractor as shall be considered necessary, until disposition has been made of such suits or claims for damages as aforesaid.

7-3.3 Responsibilities for Damage

The City of Manhattan Beach, the City Council, inspection personnel, and the Engineer shall not be answerable or accountable in any manner for any loss or damage that may happen to the work or any part thereof; or for any material or equipment used in performing the work; or for injury or damage to any person or persons, either workmen or the public; for damage to adjoining property for any cause whatsoever.

7-5 Permits and Licenses

Revise to read:

The Contractor shall procure all permits and licenses (including a City of Manhattan Beach business license), pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. All City of Manhattan Beach permits required for the performance of the contract shall be issued on a "no fee" basis. Permits required by other agencies shall be obtained by the City for all work within the City of Manhattan Beach.

Section 8 - Facilities for Agency Personnel

8-1 General.

The Contractor need provide no separate facilities for agency personnel, however, he shall permit unlimited use by the Engineer or his duly authorized representative of any field office, toilet facility, or other temporary job site facility.

Section 9 - Measurement and Payment

9-3 Payment

9-3.1 General

Add at the end of this Subsection:

Whenever the Contractor is required to perform work or furnish equipment, labor, tools, and materials of any class for which no price is fixed in the proposal, it shall be understood that such work, equipment, labor, tools, and material shall be provided without extra charge, allowance, or direct payment of any kind. The cost of performing such work or furnishing such equipment, labor, tools, and materials shall be included in the unit bid prices in the proposal most closely related to the work and no additional compensation will be made therefor.

If any portion of the work done or materials furnished under the contract shall prove defective or not in accordance with the Specifications and contract drawings, and if the imperfection in the same shall not be of sufficient magnitude or importance to make the work dangerous or undesirable, the Engineer shall have the right and authority to retain the work instead of requiring it to be removed and reconstructed, but he shall make such deductions therefor in the payment due the Contractor as may be just and reasonable.

9-3.2 Partial & Final Payment

Delete and replaced with the following:

In accordance with these Specifications, the monthly payment date is hereby set as the second Wednesday following the first Tuesday of each month. If the above date falls on a holiday, the payment date shall be the first subsequent working day.

The Contractor shall prepare and submit the form attached herewith (See Page 25) or his own form, in an identical format, to the Engineer for all requests for progress payments for the work performed in accordance with the provisions of the contract during the preceding month. The progress payment request shall be submitted no later than thirteen (13) working days prior to the monthly payment dates established above. Late submittals shall be held for consideration by the City Council at the next regularly scheduled meeting.

The City will make partial payment to the Contractor for the work performed; said partial payment will be made in accordance with the certified estimate approved by the Engineer as set forth herein. The City will retain 5% of the amount of each such estimate until 35 days after the date on which the project is accepted as complete and until all obligations of the Contractor pursuant to the contract have been discharged.

The City may withhold payments to the Contractor including, but not limited to, retained percentage, liquidated damages, defective work not remedied, reasonable doubt that this contract can be completed for the balance then unpaid, excess cost of City personnel and inspection personnel, and other valid claims against the Contractor.

Acceptance by the Contractor of said payment made in accordance with said final estimate shall be a release to the City, its officers, agents, and employees excepting only claims against the City for any amount withheld by it at the time of such payment.

Section 10 - Special Project Site Maintenance and Public Convenience and Safety

Pursuant to the provisions of Section 7-8 and Section 7-10 of the Standard Specifications and these Special Provisions, the Contractor is responsible for project site maintenance and for public convenience and safety. Payment for compliance with these provisions is considered as included in the prices bid for other contract items.

The City, however, to maintain good public relations, may deem it

necessary to require special project site maintenance and public convenience and safety actions and work to be performed by the Contractor that are over and above those required by the provisions of Section 7-8 and Section 7-10 of the Standard Specifications and these Special Provisions.

These actions and work shall be as directed by the Engineer in writing and payment for compliance therewith shall be on a cost plus basis for extra work per Section 3-3 of the Standard Specifications and applied against the not-to-exceed bid item for "Special Project Site Maintenance and Public Convenience and Safety."

Section 11 - Claim Dispute Resolution

In the event of any dispute or controversy with the City over any matter whatsoever, the Contractor shall not cause any delay or cessation in or of work, but shall proceed with the performance of the work in dispute. The Contractor shall retain any and all rights provided that pertain to the resolution of disputes and protests between the parties. The disputed work will be categorized as an "unresolved dispute" and payment, if any, shall be as later determined by mutual agreement or a court of law. The Contractor shall keep accurate, detailed records of all disputed work, claims and other disputed matters.

All claims arising out of or related to the contract documents or this Project, and the consideration and payment of such claims, are subject to the Government Claims Act (Government Code Section 810 et seq.) with regard to filing claims. All such claims are also subject to Public Contract Code Section 9204 and Public Contract Code Section 20104 et seq. (Article 1.5), where applicable. This Contract hereby incorporates those provisions as through fully set forth herein. Thus, the Contractor or any Subcontractor must file a claim in accordance with the Government Claims Act as a prerequisite to filing a construction claim in compliance with Section 9204 and Article 1.5 (if applicable), and must then adhere to Article 1.5 and Section 9204, as applicable, pursuant to the definition of "claim" as individually defined therein.

Attachments

- a. Exhibit A - Scope of Work
- b. Exhibit B - Labor Law Requirements