



AGENDA STAFF REPORT

DATE: February 21, 2018

TO: Mayor and City Council

APPROVED BY: David Dale, Interim City Manager *DD*

PREPARED BY: David Dale, Interim City Manager

SUBJECT:

1. Award the Bid Proposal from Hazard Construction Company in the amount of \$3,678,759.00 (base bid) for the Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100.
2. Authorize Interim City Manager to Sign an Agreement between the City of Calexico and Hazard Construction Company for the Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100.

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Recommendation:

It is recommended that the City Council of the City of Calexico approve the following:

1. Award the Bid Proposal from Hazard Construction Company in the amount of \$3,678,759.00 (base bid) for the Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100.
2. Authorize Interim City Manager to Sign an Agreement between the City of Calexico and Hazard Construction Company for the Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100.

Background:

On January 18, 2018, the City of Calexico Public Works Department requested bids for the Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100. The project consists of grinding of existing asphalt concrete pavement, installation of conventional asphalt concrete leveling course, asphalt-rubber aggregate membrane,



gap graded asphalt-rubber hot mix, installation of conventional asphalt concrete surface course, slurry seal, remove and replace concrete curb and gutter, traffic striping, loop detectors, utility adjustments and traffic control on the following designated streets:

STREET	FROM	TO
Las Haciendas Drive	Centinela Drive	Sam Ellis Street
Centinela Drive	Las Haciendas Drive	Sam Ellis Street
Sierra Nevada Drive	Las Haciendas Drive	Sam Ellis Street
Las Haciendas Avenue	Las Haciendas Drive	Sam Ellis Street
River Drive	Las Haciendas Drive	Sam Ellis Street
Sam Ellis Street	Kloke Road	Subdivision Limits
Villa Grande Street	Kloke Road	Subdivision Limits
Mendoza Street	F. Chavez Street	Cul-de-sac West
F. Chavez Street	Grant Street	Subdivision Limits
Thieleman Avenue	Grant Street	Subdivision Limits
Fourth Street	Heber Avenue	Blair Avenue
Renaud Court	Encinas Avenue	West to end of Street
Zapata Street	Andrade Avenue	G. Cleveland Avenue
Yturralde Street	Zapata Street	J.B. Rodriguez Street
Villanueva Court	Zapata Street	Cul-de-Sac
E. Medina Street	Zapata Street	J.B. Rodriguez Street
J.M. Grijalva Street	Zapata Street	J.B. Rodriguez Street
F. Pedroza Court	J.M. Grijalva Street	Cul-de-Sac
J.B. Rodriguez Street	Yturralde Street	J.M. Grijalva Street
Bair Avenue	Sherman Street	E. First Street
Nosotros Street	David Navarro Street	West to end of Street
Mary Avenue	E. Seventh Street	E. First Street
Third Street	Heber Avenue	Encinas Avenue
Grant Street	Imperial Avenue	Railroad Tracks

Discussion & Analysis:

On February 7, 2018, the Office of the City Clerk received two (2) bids:

	Total
1 Hazard Construction Company	\$3,678,759.00
2 Aggregate Product Inc.	\$4,292,214.55

After carefully reviewing all bid documentation from Hazard Construction Company, Public Works Staff has found that they meet all required guidelines and are the lowest responsible bidder. For this reason, Public Works Staff is requesting City Council authorization to award the bid proposal and authorize the Interim City Manager to sign an agreement with Hazard Construction Company.

Fiscal Impact:

Imperial County Local Transportation Authority (LTA) Sales	\$3,092,698.00
Tax Revenue Bond	
Measure "D"	\$586,061.00
Total	<hr/> \$3,678,759.00

Coordinated With:

Public Works Department and Engineering Division.

Attachment(s):

1. Bid Tabulation Sheet.
2. Aggregate Products Inc. Bid Proposal.
3. Hazard Construction Company Bid Proposal.
5. Hazard Construction Company Agreement.
6. Street Improvement Vicinity Map.

**AGENDA
ITEM**

CITY OF CALEXICO
STREET IMPROVEMENT PROJECT ASPHALT RUBBER COMPOSITE LAYER OVERLAY ON DESIGNATED STREETS
PROJECT NO. 2018-100
UNOFFICIAL BID RESULTS

Bid Opening: February 7, 2018

Time: 2:00p.m.

Location: City Council Chambers, City Hall, 608 Heber Avenue, Calexico, CA

Item No.	Approximate Quantity	Unit	Description	Engineer's Estimate		Hazard Construction		Aggregate Products Inc.	
				Unit Price	Total	Unit Price	Total	Unit Price	Total
1	1	LS	Mobilization	76,189.34	76,189.34	355,000.00	355,000.00	137,925.00	137,925.00
2	1	LS	Traffic Control	36,570.88	36,570.88	249,000.07	249,000.07	149,500.00	149,500.00
3	6,714	LF	R & R Existing AC/Construct PCC Concrete Curb & Gutter	55.00	369,270.00	59.00	396,126.00	136.50	916,461.00
4	33,428	SF	R & R Existing AC/Construct PCC Concrete Sidewalk	20.00	668,560.00	11.00	367,708.00	25.00	835,700.00
5	3,324	SF	Concrete Cross Gutter W/Apron	35.00	116,340.00	35.00	116,340.00	38.30	127,309.20
6	24	EA	R & R Existing AC/Construct PCC Concrete Handicap Ramp	5,250.00	126,000.00	5,500.00	132,000.00	7,000.00	168,000.00
7	15	EA	Relocate Existing CATCH Basin	7,500.00	112,500.00	6,500.00	97,500.00	9,292.00	139,380.00
8	11,507	SF	2 inch full width Cold Plane Stop Points	0.27	3,106.89	0.90	10,356.30	0.70	7,997.37
9	257,458	SF	1 inch full width Cold Milling	0.20	51,491.60	0.30	77,237.40	0.30	76,207.57
10	10,537	SF	Concrete Driveway Approach	25.00	263,425.00	17.00	179,129.00	26.25	276,596.25
11	723,879	SF	3/4" Min Leveling course including crack cleaning	0.50	361,939.50	0.62	448,804.98	0.54	390,894.66
12	79,187	SY	Asphalt-Rubber Aggregate Membrane (ARAM)	5.25	415,731.75	7.00	554,309.00	5.23	414,148.01
13	2,026	TON	1.5 Inch ARHM-GG on Stop Points	100.00	202,600.00	148.00	299,848.00	131.00	265,406.00
14	310	TON	1.5 Inch Asphalt Concrete Paving	100.00	31,000.00	122.00	37,820.00	129.00	39,990.00
15	52,785	SY	Type II Slurry with polymer & RTR rolling	2.60	137,241.00	2.65	139,880.25	2.70	142,519.50
16	19	EA	Double adjust manholes	1,027.00	19,513.00	1,200.00	22,800.00	1,100.00	20,900.00
17	55	EA	Single adjust manholes	575.00	31,625.00	1,000.00	55,000.00	600.00	33,000.00
18	44	EA	Double adjust water valves and monuments	836.00	36,784.00	880.00	38,720.00	830.00	36,520.00
19	86	EA	Single adjust water valves and monuments	485.00	41,710.00	630.00	54,180.00	460.00	39,560.00
20	1	LS	Striping, markings, and markers	12,000.00	12,000.00	24,000.00	24,000.00	34,200.00	34,200.00
21	1	LS	Surveying	15,000.00	15,000.00	23,000.00	23,000.00	40,000.00	40,000.00
				<u>3,128,597.96</u>		<u>3,678,759.00</u>		CALCULATED	<u>4,292,214.55</u>
								BID SHOWED	<u>4,295,833.96</u>

PROPOSAL BID FORM

TO THE PUBLIC WORKS DIRECTOR/CITY ENGINEER OF THE CITY OF CALEXICO:

The undersigned hereby declares that he has carefully examined the location of the proposed work that he has examined the plans and specifications and read the accompanying instructions to bidders and hereby proposes to furnish all material except owner furnished materials, and do all work required to complete the said work in accordance with said plans and specifications and special provisions for the unit prices set forth in the following schedule. The bidder shall furnish prices for all items shown in the proposal.

Item No.	Approximate Quantity	Unit	Items w/Unit Price (written in words)	Price	Total
1.	1	LS	Mobilization at: ONE HUNDRED THIRTY SEVEN THOUSAND NINE HUNDRED TWENTY FIVE DOLLARS AND ZERO CENTS L.S.	137,925. ⁰⁰	137,925.00
2.	1	LS	Traffic Control complete at: ONE HUNDRED FORTY NINE THOUSAND FIVE HUNDRED DOLLARS AND ZERO CENTS L.S.	149,500.00	149,500.00
3.	6,714	LF	Remove & Replace Existing AC/Construct PCC Concrete Curb & Gutter: ONE HUNDRED TWENTY SIX DOLLARS AND FIFTY CENTS L.F.	136.50	916,461.00
4.	33,428	SF	Remove & Replace Existing AC/Construct PCC Concrete Sidewalk: TWENTY FIVE DOLLARS AND ZERO CENTS Per S. F.	25.00	835,700.00
5.	3,324	SF	Concrete Cross Gutter w/Apron: TWENTY EIGHT DOLLARS AND THIRTY CENTS Per S. F.	38.30	127,309.20
6.	24	EA	Remove & Replace Existing AC/Construct PCC Concrete Handicap Ramp: SEVEN THOUSAND DOLLARS AND ZERO CENT/ E.A.	7,000.00	168,000.00
7.	15	EA	Relocate Existing CATCH Basin: NINE THOUSAND TWO HUNDRED NINETY TWO DOLLARS AND ZERO CENTS E.A.	9,292.00	139,380.00

8.	11,507	SF	2 inch full width Cold Plane Stop Point complete at: SIXTY NINE AND A HALF CENTS	0.695	7,997.37
			Per S. F.		
9.	257,458	SF	1 Inch full width Cold Milling complete at: TWENTY NINE SIX CENTS	0.296	76,207.57
			Per S. F.		
10.	10,537	SF	Concrete Driveway Approach: TWENTY SIX DOLLARS AND TWENTY FIVE CENTS	26.25	276,596.25
			Per S. F.		
11.	723,879	SF	¾" Min. leveling course including crack cleaning at: FIFTY FOUR CENTS	0.54	394,514.06
			Per S. F.		
12.	79,187	SY	Asphalt-Rubber Aggregate Membrane (ARAM) at: FIVE DOLLARS AND TWENTY THREE CENTS	5.23	414,148.01
			Per S. Y.		
13.	2,026	TON	1.5" Asphalt-Rubber Hot Mix Gap Graded (ARHM-GG) on stop points at: ONE HUNDRED TWENTY ONE DOLLARS AND ZERO CENTS	131.00	265,406.00
			Per Ton		
14.	310	TON	1.5 Inch Asphalt Concrete Paving at: ONE HUNDRED TWENTY NINE DOLLARS AND ZERO CENTS	129.00	39,990.00
			Per Ton		
15.	52,785	SY	Type II Slurry with polymer and RTR rolling at: TWO DOLLAR AND SEVENTY CENTS	2.70	142,519.50
			Per S. Y.		
16.	19	EA	Double adjust manholes at: ONE THOUSAND ONE HUNDRED DOLLAR AND ZERO CENTS	1,100.00	20,900.00
			E. A.		
17.	55	EA	Single adjust manholes at: SIX HUNDRED DOLLARS AND ZERO CENTS	600.00	33,000.00
			E. A.		

18.	44	EA	Double adjust water valves and monuments at: Eight hundred twenty dollars AND ZERO CENTS E. A.	830.00	36,520.00
19.	86	EA	Single adjust water valves & monuments at: Four hundred sixty dollars AND ZERO CENTS E. A.	460.00	39,560.00
20.	9	LS	Striping, Markings, and Markers at: Twenty four thousand two hundred dollars AND ZERO cents L. S.	34,200.00	34,200.00
21	1	LS	Surveying: Forty thousand dollars AND ZERO CENTS L. S.	40,000.00	40,000.00

Grand Total Bid: 4,295,833.96

Grand Total Bid Price Written in words: Four Million Two Hundred Ninety Five Thousand Eight Hundred Twenty Three Dollars AND Ninety Six Cents

1.00 -- The undersigned hereby acknowledges the receipt of the following addendum:

None _____; No. 1 ; No. 2 _____; No. 3 _____; No. 4 _____; No. 5 _____

2.00 -- The undersign hereby certifies that this proposal/bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation.

3.00 -- The undersigned hereby accepts on the behalf of his firm all provisions and requirements of the contract documents, including but not limited to those related to time of completion and liquidated damages.

4.00 -- The undersigned hereby certifies that they are authorized representative of the firm on whose behalf this proposal/bid is submitted and that they are acting at the direction and with the required approval of said firm, which is identified as follows:

Name of firm: AGGREGATE PRODUCTS INC.
 Address of firm: 19500 BEVERLY ROAD, PICO RIVERA, CA 90660
 Telephone number: (323) 558-8000 Fax number: (323) 558-8055
 Contractor's license number: 698013 Type: A C12
 Signed: [Signature] Date: 2-5-18

END OF PROPOSAL/BID FORM

PROPOSAL BID FORM

TO THE PUBLIC WORKS DIRECTOR/CITY ENGINEER OF THE CITY OF CALEXICO:

The undersigned hereby declares that he has carefully examined the location of the proposed work that he has examined the plans and specifications and read the accompanying instructions to bidders and hereby proposes to furnish all material except owner furnished materials, and do all work required to complete the said work in accordance with said plans and specifications and special provisions for the unit prices set forth in the following schedule. The bidder shall furnish prices for all items shown in the proposal.

Item No.	Approximate Quantity	Unit	Items w/Unit Price (written in words)	Price	Total
1.	1	LS	Mobilization at: <u>THREE HUNDRED FIFTY FIVE THOUSAND DOLLARS, AND NO CENTS</u> L. S.	355,000. ⁻	355,000. ⁻
2.	1	LS	Traffic Control complete at: <u>TWO HUNDRED FORTY NINE THOUSAND DOLLARS, AND SEVEN CENTS</u> L. S.	249,000. ⁰⁷	249,000. ⁰⁷
3.	6,714	LF	Remove & Replace Existing AC/Construct PCC Concrete Curb & Gutter: <u>FIFTY NINE DOLLARS, AND NO CENTS</u> L. F.	59. ⁻	396,126. ⁻
4.	33,428	SF	Remove & Replace Existing AC/Construct PCC Concrete Sidewalk: <u>ELEVEN DOLLARS, AND NO CENTS</u> Per S. F.	11. ⁻	367,708. ⁻
5.	3,324	SF	Concrete Cross Gutter w/Apron: <u>THIRTY FIVE DOLLARS, AND NO CENTS</u> Per S. F.	35. ⁻	116,340. ⁻
6.	24	EA	Remove & Replace Existing AC/Construct PCC Concrete Handicap Ramp: <u>FIVE THOUSAND, FIVE HUNDRED DOLLARS, AND NO CENTS</u> E. A.	5,500. ⁻	132,000. ⁻
7.	15	EA	Relocate Existing CATCH Basin: <u>SIX THOUSAND, FIVE HUNDRED DOLLARS, AND NO CENTS</u> E. A.	6,500. ⁻	97,500. ⁻

8.	11,507	SF	2 Inch full width Cold Plane Stop Point complete at: <u>NINETY CENTS</u>	<u>0.90</u>	<u>10,356.³⁰</u>
			Per S. F.		
9.	257,458	SF	1 inch full width Cold Milling complete at: <u>THIRTY CENTS</u>	<u>0.³⁰</u>	<u>77,237.⁴⁰</u>
			Per S. F.		
10.	10,537	SF	Concrete Driveway Approach: <u>SEVENTEEN DOLLARS, AND NO CENTS</u>	<u>17.⁻</u>	<u>179,129.⁻</u>
			Per S. F.		
11.	723,879	SF	$\frac{3}{4}$ " Min. leveling course including crack cleaning at: <u>SIXTY TWO CENTS</u>	<u>0.⁶²</u>	<u>448,804.⁹⁸</u>
			Per S. F.		
12.	79,187	SY	Asphalt-Rubber Aggregate Membrane (ARAM) at: <u>SEVEN DOLLARS, AND NO CENTS</u>	<u>7.⁻</u>	<u>554,309.⁻</u>
			Per S. Y.		
13.	2,026	TON	1.5" Asphalt-Rubber Hot Mix Gap Graded (ARHM-GG) on stop points at: <u>ONE HUNDREN FORTY EIGHT DOLLARS, AND NO CENTS</u>	<u>148.⁻</u>	<u>299,848.⁻</u>
			Per Ton		
14.	310	TON	1.5 Inch Asphalt Concrete Paving at: <u>ONE HUNDREN TWENTY TWO DOLLARS AND NO CENTS</u>	<u>122.⁻</u>	<u>37,820.⁻</u>
			Per Ton		
15.	52,785	SY	Type II Slurry with polymer and RTR rolling at: <u>TWO DOLLARS, AND SIXTY FIVE CENTS</u>	<u>2.⁶⁵</u>	<u>139,880.²⁵</u>
			Per S. Y.		
16.	19	EA	Double adjust manholes at: <u>ONE THOUSAND, TWO HUNDREN DOLLARS, AND NO CENTS</u>	<u>1,200.⁻</u>	<u>22,800.⁻</u>
			E. A.		
17.	55	EA	Single adjust manholes at: <u>ONE THOUSAND DOLLARS, AND NO CENTS</u>	<u>1,000.⁻</u>	<u>55,000.⁻</u>
			E. A.		

18.	44	EA	Double adjust water valves and monuments at: <u>EIGHT HUNDRED EIGHTY DOLLARS, AND NO CENTS</u>	880. ⁻	38,720. ⁻
			E. A.		
19.	86	EA	Single adjust water valves & monuments at: <u>SIX HUNDRED THIRTY DOLLARS, AND NO CENTS</u>	630. ⁻	54,180. ⁻
			E. A.		
20.	9	LS	Striping, Markings, and Markers at: <u>TWENTY FOUR THOUSAND DOLLARS, AND NO CENTS</u>	24,000. ⁻	24,000. ⁻
			L. S.		
21	1	LS	Surveying: <u>TWENTY THREE THOUSAND DOLLARS, AND NO CENTS</u>	23,000. ⁻	23,000. ⁻
			L. S.		

Grand Total Bid: 3,678,759.⁻

Grand Total Bid Price Written in words: THREE MILLION, SIX HUNDRED SEVENTY EIGHT THOUSAND, SEVEN HUNDRED FIFTY NINE DOLLARS, AND NO CENTS

1.00 – The undersigned hereby acknowledges the receipt of the following addendum:

None _____; No. 1 ; No. 2 _____; No. 3 _____; No. 4 _____; No. 5 _____

2.00 – The undersign hereby certifies that this proposal/bid is genuine and not made in the interest of or on behalf of any undisclosed person, firm or corporation.

3.00 – The undersigned hereby accepts on the behalf of his firm all provisions and requirements of the contract documents, including but not limited to those related to time of completion and liquidated damages.

4.00 – The undersigned hereby certifies that they are authorized representative of the firm on whose behalf this proposal/bid is submitted and that they are acting at the direction and with the required approval of said firm, which is identified as follows:

Name of firm: HAZARD CONSTRUCTION COMPANY
Address of firm: 6465 Main Industry Drive San Diego, Ca. 92121
Telephone number: (650) 587-3600 Fax number: 650-453-6034
Contractor's license number: 750542 Type: A/C31
Signed: _____ Date: 2/6/18

END OF PROPOSAL/BID FORM

**CONSTRUCTION AGREEMENT
CITY OF CALEXICO, CALIFORNIA**

THIS AGREEMENT is made this 21st day of February, 2018, by and between the City of Calexico, a Municipal Corporation of the State of California ("City") and Hazard Construction Company ("Contractor"). The City and the CONTRACTOR for consideration stated herein agree as follows:

1. Description of Project

CONTRACTOR shall provide for the construction of Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100 in accordance with the Invitation for Bids.

2. Description of Work

2.1 CONTRACTOR shall furnish all of the labor, tools, equipment, and services required to perform all of the work in connection with the construction of Street Improvement Project in accordance with the invitation for Bids, incorporated by reference as though fully set herein. Said construction shall be in accordance with the 2010 California Department of Transportation Standard Plans, Labor Surcharge and Equipment Rental Rates in effect on the date the work is accomplished, and the General Prevailing Wage rates dated 2018. Said invitation for bids, Standard Plans, Standard Specifications, Labor Surcharge and Equipment Rental Rates, and General Prevailing Wage Rates are as fully a part of the Agreement as if hereto attached or herein repeated.

2.2 The work to be performed under this Agreement shall conform to the plans entitled "Street Improvement Project Asphalt Rubber Composite Layer Overlay on Designated Streets Project No. 2018-100", incorporated herein as fully a part of this Agreement as if hereto attached or herein repeated.

3. Time for Completion

The work shall be commenced on the date stated in Notice to Proceed, and shall be completed within the allotted working days after the date stated in such Notice.

4. Compensation

4.1 City will pay the CONTRACTOR for the performance of this Agreement according to the terms and conditions contained in the Project's Invitation for Bids and Proposal or bid submittal by CONTRACTOR. CONTRACTOR will take full payment in accordance with the following item prices incorporated as part of the proposal or bid submitted by CONTRACTOR.

4.2 CONTRACTOR agrees to receive and accept said compensation as full payment for furnishing all materials and for 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 any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by CITY 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 in the manner and according to the plans and specification, and the requirements of the CITY Engineer. This provision in no way limits the CONTRACTOR's duties under other provisions herein.

5. Industry Standards

The CONTRACTOR agrees that its performance, and that of its employees or subcontractors, under this Agreement shall be performed in accordance with the standards customarily adhered to by an experienced and competent contractor using the degree of care and skill ordinarily exercised by reputable professionals practicing in the same field in the State of California. Where approval by the CITY, the CITY Manager, or other representatives of the CITY is required, it is understood to be general approval only and does not relieve the CONTRACTOR of responsibility for complying with all applicable laws, codes and quality construction and business practices.

6. Insurance

The CONTRACTOR shall not begin performing under this Agreement until it has: (a) obtained insurance certificates reflecting evidence of all insurance required herein; however, the CITY reserves the right to request, and the CONTRACTOR shall submit, copies of any policy upon reasonable request by the CITY; (b) obtained CITY approval of each company or companies as required herein; and (c) confirmed that all policies contain the specific provisions required herein. Further the CONTRACTOR shall not modify any policy or endorsement thereto which increases the CITY'S exposure to loss for the duration of this Agreement.

6.1 Types of Insurance.

At all times during the term of this Agreement, CONTRACTOR shall maintain insurance coverage as follows:

6.1.1 Commercial General Liability

For all of the CONTRACTOR's operations, including contractual, broad form property damage, completed operations, and independent CONTRACTOR's liability, the CONTRACTOR shall keep in full force and effect, during any and all work on this Project, all applicable insurance to cover personal injury, bodily injury and property damage, providing coverage to a combined single limit of \$1,000,000 per occurrence, subject to an annual aggregate of \$2,000,000 for general liability, completed operations and personal injury other than bodily injury. Agreemental liability shall include coverage of tort liability of another party to pay for bodily injury or property damage to a third person or organization. Agreemental liability limitation endorsement is not acceptable.

6.1.2 Commercial Automobile Liability

For all the CONTRACTOR's automobiles including owned, hired and non-owned automobiles, the CONTRACTOR shall keep in full force and effect, automobile insurance for bodily injury and property damage providing coverage to a combined single limit of \$1,000,000 per occurrence. Insurance certificate shall reflect coverage for any automobile [any auto]. The CITY shall be named as an additional insured, but only for liability arising out of the use of CONTRACTOR's automobiles and only arising out of the performance of this Agreement.

6.1.3 Worker's Compensation

For all of the CONTRACTOR's employees who are subject to this Agreement and to the extent required by the State of California, the CONTRACTOR shall keep in full force and effect, a workers compensation policy. That policy shall provide a minimum of \$1,000,000 of employees liability coverage and the CONTRACTOR shall provide and endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.

6.2 Rating Requirements

All bonds used to guarantee work and performance under this Agreement and all insurance required by express provision of this Agreement shall be carried only by responsible insurance companies that have been at least and "A" or "A-" and "V" rating by AM BEST, that are licensed and approved by the State to do business in the State of California, and that have been approved by the CITY.

6.3 Deductibles

All deductibles on any policy shall be the responsibility of the CONTRACTOR.

6.4 Specific Provisions Required

Each policy required under Section 6 herein, shall expressly provide, and an endorsement shall be submitted to the City, that:

6.4.1 Except as to Workers Compensation, the City of Calexico and its respective elected officials, officers, employees, agents, and representatives shall be named as additional insureds. The CITY's Additional Insured status must be reflected on additional insured endorsement which shall be submitted to the CITY.

6.4.2 The policies are primary and any insurance that may be carried by the CITY is non-contributing, as reflected in an endorsement which shall be submitted to the CITY.

6.4.3 The policies cannot be canceled, non renewed or materially changed except after thirty calendar days prior written notice by the CONTRACTOR to the CITY by certified mail, as reflected in an endorsement which shall be submitted to the CITY except for non-payment of premium, in which case ten (10) days notice will be provided.

6.4.4 Before performing under this Agreement, the CONTRACTOR shall provide the CITY with all Certificates of Insurance accompanied with all endorsements.

6.4.5 The CONTRACTOR may obtain additional insurance not required by this Agreement.

7. Agreementor Compliance with Labor Code

CONTRACTOR certifies that he is aware of the provisions of Section 3700 of the Labor Code which requires 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 will comply with such provisions before commencing the performance of the work of this Agreement.

8. Control of Agreement

The improvement contemplated in the performance of this contract is a project over which the City of Calexico shall exercise general supervision. The CITY therefore shall have the right to assume full and direct control over this contract whenever the CITY, at its sole discretion, shall determine that its responsibility to the State of California so requires.

9. Conflicting Terms

If an apparent conflict or inconsistency exists between the main body of this Agreement and the bid, proposal or other incorporated document, the main body of this Agreement shall control. If a conflict exists between applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirements shall control. Each party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

10. Indemnification and Hold Harmless Agreement

10.1 With respect to any liability, including but not limited to claims asserted or costs, losses, attorney fees (for attorney of CITY's choosing), or payments for injury to any person or property caused or claimed to be caused by the acts or omissions of the CONTRACTOR, or the CONTRACTORS's employees, agents, and officers, arising out of any services performed involving this project, the CONTRACTOR agrees to defend, indemnify, protect, and hold harmless the CITY, its agents, officers, or employees from and against all liability . Also covered is liability arising from, connected with, caused by, or claimed to be caused by the active or passive negligent acts

or omissions of the CITY, its agents, officers, or employees which may be in combination with the active or passive negligent acts or omissions of the CONTRACTOR, its employees, agents or officers, or any third party. The CONTRACTOR's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or sole willful misconduct of the CITY, its agent, officers or employees. This section in no way alters, affects or modifies any of CONTRACTOR's other obligations and duties herein.

10.2 The CONTRACTOR agrees to pay any and all costs the CITY incurs enforcing the indemnity and defense provisions herein.

11. Notices

In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing, notice to the parties herein shall be addressed as follows:

CITY

City of Calexico
Public Works Department
608 Heber Avenue
Calexico, CA 92231

CONTRACTOR:

Hazard Construction Company
6465 Marindustry Drive
San Diego, CA 92121

12. Non-Assignment

The CONTRACTOR shall not assign the obligations under this Agreement, whether by express assignment or by sale of the company, nor any monies due or to become due, without the CITY's prior written approval. Any assignment in violation of this paragraph shall constitute a Default and is grounds for immediate termination of this Agreement, at the sole discretion of the CITY. In no event shall any putative assignment create a contractual relationship between the CITY and any putative assignee.

13. Independent Agreementors

The CONTRACTOR and any SUBCONTRACTORS employed by the CONTRACTOR shall be independent contractors and not agents of the CITY.

14. Compliance with Controlling Law

The CONTRACTOR shall comply with all laws, ordinances, regulations, and policies of the federal, state and local governments applicable to this Agreement, including California Labor Code section 1720 relating to the payment of prevailing wages, including inspection and land surveying

work. In addition, the CONTRACTOR shall comply immediately with all directives issues by the CITY or its authorized representatives under authority of any laws, statutes, ordinances, rules or regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

Pursuant to the Labor Code of the State of California, or local laws applicable thereto, the CITY has ascertained that the CONTRACTOR shall be responsible for paying prevailing wages as established by the State of California, Director of Industrial Relations. Under Section 1776 of the State Labor Code, the CONTRACTOR, and all subcontractors, are required to keep accurate payroll records. This Section specifies the content thereof, inspection and duplication procedures, and certain notices required of the CONTRACTOR pertaining to their location.

Whenever the CONTRACTOR or any representative, agent or employee Of CONTRACTOR performing a public works project is found by the Department of Industrial Relations ("DIR") or the CITY to be in violation of the prevailing wage requirements imposed by law, the CONTRACTOR shall indemnify and hold CITY harmless from any and all liability arising from such violation, including any and all liability imposed on the City. The CONTRACTOR's duty to indemnify the CITY pursuant to this section shall include any and all costs and expenses incurred by the CITY therefrom, including but not limited to any penalties imposed on the CITY by DIR or any other state agency and reasonable attorney's fees.

Nothing in this section shall be construed to limit, alter or amend the CONTRACTOR's duty to indemnify under any other provisions of this Agreement.

15. Jurisdiction and Venue

The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of the Imperial, State of California.

16. Integration

This Agreement and the exhibits and references incorporated into this Agreement fully express all understandings of the Parties concerning the matters covered in this Agreement. No change, alteration, or modification of the terms or conditions of this Agreement, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both parties or an amendment to this Agreement agreed to both Parties. All prior negotiations and agreements are merged into this Agreement.

17. Counterparts

This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all parties had executed the same page.

18. No Waiver

No failure of either the CITY or the CONTRACTOR to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach or such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.

19. Severability

The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid, or illegal.

IN WITNESS WHEREOF, the parties hereto through their agent duly authorized, have executed this Agreement as of the day and year first above written.

ATTEST:

GABRIELA GARCIA
Deputy City Clerk of the City of Calexico

DAVID DALE
Interim City Manager of the City of
Calexico

CONTRACTOR

By: _____
Signature

Date

Printed Name and Title

Licensed in accordance with an act
Providing for the registration of contractors,
License No. _____

APPROVED AS TO FORM AND EXECUTION

CARLOS CAMPOS
City Attorney

Date

