



VALLEY SANITARY DISTRICT
45-500 VAN BUREN
INDIO, CALIFORNIA 92201

EPOXY COATING OF LAUNDER AND MECHANICAL RAKE/BAFFLE IN CIRCULAR CLARIFIER

December 2017
Job Contract No. 2017-0094

**BIDDING REQUIREMENTS, BIDDING FORM,
CONDITIONS OF THE CONTRACT AND
TECHNICAL SPECIFICATIONS**

APPROVED:

A handwritten signature in black ink that reads "Joseph Glowitz". The signature is written in a cursive style and is positioned above a horizontal line.

JOSEPH GLOWITZ
GENERAL MANAGER

VALLEY SANITARY DISTRICT

INVITATION TO BID

SUBMIT BID TO:	FOR FURTHER INFORMATION CALL:
Valley Sanitary District 45500 Van Buren Street Indio, CA 92201	Mike Lopanec Chief Plant Operator (760) 238-5405 fax (760) 238-5460 mlopanec@valley-sanitary.org

CONTRACT NO:	DATE MAILED:	THIS QUOTATION MUST BE DELIVERED TO THE DISTRICT BEFORE:
2017-0094	December 18, 2017	2:30 P.M., Thursday, February 1, 2018

QTY.	DESCRIPTION	UNIT PRICE	EXTENSION
1	<p style="text-align: center;">NOTICE TO BIDDERS</p> <p>Provide Cost to apply an Epoxy Coating on a Clarifier Launder, Mechanical Rake and Baffle as specified below.</p> <p>Specify Warranty: _____</p> <p>All bidders must submit with their proposal sufficient literature to show compliance with specifications. Any deviations from specification must be clearly indicated in writing at the time the proposal is submitted. The District reserves the right to waive minor variations in bid specifications.</p> <p>An optional but recommended pre-bid job walk will be held on Wednesday, January 10, 2018, at 10:00 A.M. at Valley Sanitary District's Operations Building. A Contractor Contact Form (included) must be completed and turned in to Valley Sanitary District by January 12, 2018 by 5:00 PM in order to bid on this project.</p> <p>All bidders must be registered with the Department of Industrial Relations to perform public work and must be licensed in accordance with the laws of the State of California:</p> <p>DIR Registration Number: _____</p> <p>Contractor's License Number: _____</p> <p>The lowest, responsible bidder will be required to enter into a Construction Contract with Valley Sanitary District in order to perform the work related to this bid. They will be held to all terms and conditions set forth in the Construction Contract which includes Payment and Performance Bonds, Insurance, etc. A blank copy of the Construction Contract is included as part of this bid package.</p> <p>Sealed bids shall be received at the Administration Office of Valley Sanitary District, 45500 Van Buren Street, Indio, CA, up to 2:30 p.m., on Thursday, February 1, 2018, at which time they will be publicly opened and read.</p>	<p>\$ _____</p> <p>Lump Sum</p>	<p>\$ _____</p> <p>Total</p>

Any bid may be withdrawn at any time prior to the time fixed for the opening of bids only by written request for the withdrawal of the bid filed with the District. The request shall be executed by the bidder or bidder's duly authorized representative. The withdrawal of a bid does not prejudice the right of the bidder to file a new bid. Whether or not bids are opened exactly at the time fixed in the public notice for opening bids, a bid will not be received after that time nor may any bid be withdrawn after the time fixed in the public notice for opening of bids.

As stated in Public Contract Code Section 5100 to 5108, inclusive (State Contract Act) concerning relief of bidders and in particular to the requirement therein, that if the bidder claims a mistake was made in his bid, the bidder shall give the District written notice within five (5) days after the opening of the bids of the alleged mistake, specifying in the notice, in detail how the mistake occurred.

All bidders shall verify if any addendum for this project has been issued by the District. It is the bidder's responsibility to ensure that all requirements of contract addendum are included in the bidder's submittal.

Bidder's signed Bid and written acceptance by the District shall constitute an agreement. Submission of a signed bid will be interpreted to mean that the Bidder has hereby agreed to all the terms and conditions set forth in this entire Invitation to Bid.

The award will be made to the lowest responsible bidder whose bid complies with the specifications in a manner satisfactory to the District's best interests as determined by the District. The right is reserved, as the interest of the District may require, to reject any or all bids, or to waive any informality or minor irregularity in the bids. The decision of the Board of Directors will be final.

The price quoted by Bidder in his or her proposal shall be a delivered price and include any sales or use tax levied by the California Revenue and Taxation Code, and shall be exclusive of Federal Excise taxes pursuant to the exemption of political subdivisions in the "Revenue Act of 1935" or any other related Acts of Congress.

To bid, complete and return a copy of the Invitation to Bid and the other required forms, sealed in the enclosed envelope. The envelope shall be marked with the project name and bid number. The bid must be received by the date and time shown in order to be considered.

Delivery shall be to:
Valley Sanitary District
45500 Van Buren Street
Indio, CA 92201

Firm _____	Date: _____
Address _____	Phone: _____
_____	FAX: _____
By (Signature) _____	Print Name: _____
Title: _____	_____

Mike Lopanec
Chief Plant Operator

SCOPE OF WORK AND SPECIFICATIONS

CLARIFIER EQUIPMENT EPOXY COATING

The following specifications are the minimum unless otherwise specified.

1. Provide all labor, equipment and material necessary to perform epoxy coating of a launder trough, clarifier ferrous metals including mechanical rake and baffle as specified herein. The circular clarifier is 95 foot in diameter with a launder that is 3 feet wide and 3 feet tall that wraps around the entire circumference of the tank. The center of the clarifier which is the deepest point is 17 feet. The contractor should note that all metal surfaces below the catwalk of the clarifier should be epoxy coated whether specifically indicated or not, except where otherwise shown or specified. The clarifier tanks are open type tanks. The steel within the tanks will be subject to submersion and the steel above the tank walls will be subject to atmospheric conditions. Drawing of clarifier and or site visit can be arranged by calling the contact person listed on the Invitation to Bid.
2. Scoping Documents:
 - 2.1 Ferrous metals epoxy coating primer (Tnemec) or approved equal.
 - 2.2 Ferrous intermediate and top coat epoxy (Tnemec) or approved equal.
 - 2.3 Concrete coatings shall be plural applied epoxy (Tnemec) or approved equal.
 - 2.4 Preparation and coatings are to be applied pursuant to Product Data Sheets and manufacturer's written instructions.
3. Launder Trough Coating:
 - 3.1 Launder trough to be prepped and coated on both walls and floors. Coating of the launder wall shall terminate 1" above mechanical broom elevation on the interface of exterior wall.
 - 3.2 Application of primer and 100% solid epoxy per manufacturer's requirements with minimum dry film thickness of 120 mils.
 - 3.3 Preparation of concrete to be sandblasted, surface profile per International Concrete Repair Institute (ICRI) #5, concrete surface repair as needed with epoxy mortar surface filler compatible with epoxy coating per manufacturer's requirements.
 - 3.4 Saw cut 1/4" termination within 1" of proposed edge of all coatings on concrete.
 - 3.5 Apply applicable caulking (per submittal) at transition between fiberglass weir teeth and concrete.
 - 3.6 Fiberglass weir to remain in place during recoating process.
4. Clarifier Structural Ferrous Metals Including Mechanical Rake and Baffle:
 - 4.1 All clarifier structural steel (below cat walk) including mechanical rake and baffle must be sand blasted per SSPC SP10 (near white metal blast).
 - 4.2 Three coats of epoxy at a minimum of 6 mils for each coat, total 18 mils minimum Dry Film Thickness (DFT).
 - 4.3 Holiday testing per NACE SPO188.
 - 4.4 Coating shall be suitable for immersion service and Hydrogen Sulfide exposure.

5. Other:

5.1 This project is a prevailing wage job.

5.2 Night work or hours outside of 6:00 AM to 5:00 PM must be pre-approved prior to start of work.

5.3 Jobsite must be kept clear of all trash and debris.

5.4 Maximum of 45 days will be allowed to complete the project from notice to proceed.

District will hire an inspection firm to provide daily inspection services for this project.

Engineer's Estimate: \$110,000

CONTRACTOR CONTACT FORM

This form must be completed by any contractor who plans on submitting a bid for this project. This form should also be completed by any subcontractor, vendor or manufacturer who wants to be notified of any response to questions, addendums or other project notifications prior to bid opening.

This form will be submitted to the Valley Sanitary District by the due date listed in the **Invitation to Bid** or it will be deemed not responsive and their bid will be returned unopened. This form can be mailed (see Invitation to Bid), faxed (800 750-2280 attention Mike Lopanec) or emailed to MLopanec@valley-sanitary.org. Note: The Bidder's company name below must match the name of the company listed on the outside of the Bidder's envelope.

Contractor's or Entity's Name: _____

Contractor's or Entity's Interest in Project (list Bidder, Subcontractor, Vendor, etc.): _____

Contractor's or Entity's Address: _____

Contractor's or Entity's Contact Person: _____

Contractor's or Entity's Phone No.: _____

Contractor's or Entity's Email Address: _____

**VALLEY SANITARY DISTRICT
SHORT-FORM CONSTRUCTION CONTRACT**

**EPOXY COATING OF LAUNDER AND MECHANICAL RAKE/BAFFLE IN
CIRCULAR CLARIFIER**

1. PARTIES AND DATE.

This contract ("Contract") is made and entered into this _____ day of _____, 2018 by and between the **VALLEY SANITARY DISTRICT ("VSD")** a public entity, and _____, a **contractor** with its principal place of business at _____ ("Contractor"). VSD and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Contract.

2. RECITALS.

2.1 Valley Sanitary District "VSD". VSD is public sanitary district organized under the constitution and laws of the State of California with its principal place of business at 45500 Van Buren Street, Indio, California 92201.

2.2 Contractor. Contractor desires to perform and assume responsibility for the provision of certain construction services required by VSD on the terms and conditions set forth in this Contract. Contractor represents that it is experienced in providing professional 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 is familiar with the plans of VSD.

2.3 Project. VSD desires to engage Contractor to render such services for the **Epoxy Coat Launder and Mechanical Rake/Baffle in Circular Clarifier** ("Project") as set forth in this Contract.

2.4 Project Documents & Certifications. Contractor has obtained, and delivers concurrently herewith, a Payment Bond and a Performance Bond in 100% of the amount of the total Contract value.

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: **Project Bid Package**.

3.2 Contractor's Basic Obligation; Scope of Work. Contractor promises and agrees, at its own cost and expense, to furnish to VSD 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 "A" attached hereto and incorporated herein by this reference. Special conditions, if any, relating to the Work are described in Exhibit "B" attached hereto and incorporated herein by this reference.

3.3 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 advance and in writing by a valid change order executed by VSD.

3.4 Period of Performance and Liquidated Damages. Contractor shall perform and complete all Work under this Contract within **45** calendar 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 VSD. Such schedules or milestones may be included as part of Exhibits "A" or "B" attached hereto, or may be provided separately in writing to the 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 VSD will suffer damage. Since it is impractical and infeasible to determine the amount of actual damage, it is agreed that the Contractor shall pay to VSD as fixed and liquidated damages, and not as a penalty, the sum of **\$500** 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.

3.5 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 a City 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 VSD, any work necessary to correct errors or omissions which are caused by Contractor's, its employees' or subcontractors' failure to comply with the standard of care provided for herein. Any employee who is determined by VSD 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 VSD, shall be promptly removed from the Project by Contractor and shall not be re-employed on the Work.

3.6 Control and Payment of Subordinates; Contractual Relationship. VSD retains Contractor on an independent contractor basis and Contractor is not an employee of VSD. 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.

3.7 VSD's Basic Obligation. VSD 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 VSD shall pay to Contractor, as full consideration for the satisfactory performance by the Contractor of the services and obligations required by this Contract, the below referenced compensation in accordance with compensation provisions set forth in the Contract.

3.8 Compensation and Payment.

3.8.1 Amount of Compensation. As consideration for performance of the Work required herein, VSD agrees to pay Contractor the Total Contract Price _____ **Dollars (\$XXX)** ("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 VSD.

3.8.2 Payment of Compensation. If the Work is scheduled for completion in thirty (30) or less calendar days, VSD will arrange for payment of the Total Contract Price upon completion and approval by VSD of the Work. If the Work is scheduled for completion in more than thirty (30) calendar days, VSD 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 VSD an itemized application for payment in the format supplied by VSD indicating the amount of Work completed since commencement of the Work or since the last progress payment. These pay applications shall be supported by evidence which is required by this Contract and such other documentation as VSD may require. 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 VSD and in such detail and form as VSD 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.

VSD shall review and pay all progress payment requests in accordance with the provisions set forth in Section 7107 of the California Public Contract Code. No progress payments will be made for Work not completed in accordance with this Contract.

3.8.3 Contract Retentions. From each approved progress payment request, five percent (5%) will be deducted and retained by VSD, and the remainder will be paid to Contractor. All Contract retainage shall be released and paid to Contractor and subcontractors pursuant to California Public Contract Code Section 7107.

3.8.4 Other Retentions. In addition to Contract retentions, VSD may deduct from each progress payment an amount necessary to protect VSD from loss because of: (1) liquidated damages which have accrued as of the date of the application for payment; (2) any

sums expended by VSD 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 the Contractor to maintain or submit on a timely basis proper and sufficient documentation as required by the Contract or by VSD 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 VSD, incurred by VSD for which Contractor is liable under the Contract; and (11) any other sums which VSD 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 VSD to deduct any of these sums from a progress payment shall not constitute a waiver of VSD's right to such sums.

3.8.5 Substitutions for Contract Retentions. In accordance with California Public Contract Code Section 22300, VSD will permit the substitution of securities for any monies withheld by the VSD to ensure performance under the Contract. At the request and expense of Contractor, securities equivalent to the amount withheld shall be deposited with VSD, or with a state or federally chartered bank in California as the escrow agent, and thereafter VSD shall then pay such monies to the Contractor as they come due. Upon satisfactory completion of the Contract, the securities shall be returned to the 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 VSD 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 VSD.

3.8.6 Payment to Subcontractors. Contractor shall pay all subcontractors for and on account of work performed by such subcontractors in accordance with the terms of their respective subcontracts and as provided for in the California Public Contract Code. Such payments to subcontractors shall be based on the measurements and estimates made and progress payments provided to Contractor pursuant to this Contract.

3.8.7 Title to Work. As security for partial, progress, or other payments, title to Work for which such payments are made shall pass to VSD at the time of payment. To the extent that title has not previously been vested in VSD by reason of payments, full title shall pass to VSD 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 VSD, 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.

3.9 Termination. This Contract may be terminated by VSD at any time by giving Contractor three (3) days advance written notice. In the event of termination by VSD for any

reason other than the fault of Contractor, VSD shall pay Contractor for all Work performed up to that time as provided herein. In the event of breach of the Contract by Contractor, VSD may terminate the Contract immediately without notice, may reduce payment to the Contractor in the amount necessary to offset VSD'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, VSD 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, VSD 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.

3.10 Completion of Work. When Contractor determines that it has completed the Work required herein, Contractor shall so notify VSD in writing and shall furnish all labor and material releases required by this Contract. VSD shall thereupon inspect the Work. If the Work is not acceptable to VSD, VSD 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 re-inspection by VSD. Once the Work is acceptable to VSD, VSD shall pay to Contractor the Total Contract Price remaining to be paid, less any amount which VSD 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.

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

3.12 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 VSD ("Contractor's Representative"). Following approval by VSD, 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 VSD, 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 VSD, 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 VSD's written approval.

3.13 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 VSD, the

matter shall be referred to VSD's Representative, whose decision shall be binding upon Contractor.

3.14 Loss and Damage. 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 VSD. However, Contractor shall be responsible for damage proximately caused by Acts of God, within the meaning of Section 7105 of the California Public Contract Code, only to the extent of five percent (5%) of the Total Contract Price as specified herein. In the event of damage proximately caused by "Acts of God," VSD may terminate this Contract upon three (3) days advanced written notice.

3.15 Indemnification. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold VSD, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of the Work or this Contract, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against VSD, its directors, officials officers, employees, agents or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against VSD or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse VSD and its directors, officials, officers, employees, agents and/or 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 survive expiration or termination of this Contract and shall not be restricted to insurance proceeds, if any, received by the District, its governing board, directors, officials officers, employees, agents, or volunteers. The only limit to Contractor's indemnification obligation shall be that required by Civil Code section 2782 exempting Contractor from indemnifying District against District's sole or active negligence or willful misconduct.

3.16 Insurance.

3.16.1 Time for Compliance. Contractor shall not commence Work under this Contract until it has provided evidence satisfactory to VSD 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 VSD that the subcontractor has secured all insurance required under this section.

3.16.2 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:

3.16.2.1 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 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); (3) *Workers' Compensation and Employers' Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance; and (4) *Builders'/All Risk*: Builders'/All Risk insurance covering for all risks of loss, including explosion, collapse, underground excavation and removal of lateral support (and including earthquakes and floods if requested by the VSD).

3.16.2.2 Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Contract/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; (3) *Workers' Compensation and Employer's Liability*: Workers' compensation limits as required by the Labor Code of the State of California. Employers Liability limits of \$1,000,000 per accident for bodily injury or disease; and (4) *Builders'/All Risk*: Completed value of the project.

3.16.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by VSD to add the following provisions to the insurance policies:

3.16.3.1 General Liability. (1) VSD, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds 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; and (2) the insurance coverage shall be primary insurance as respects VSD, its directors, officials, officers, employees, agents and 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 VSD, its directors, officials, officers, employees, agents and volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it.

3.16.3.2 Automobile Liability. (1) VSD, its directors, officials, officers, employees, agents and volunteers shall be covered as additional insureds 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; and (2) the insurance coverage shall be primary insurance as respects VSD, its directors, officials, officers, employees, agents and 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 VSD, its directors, officials, officers, employees, agents and volunteers shall be excess of Contractor's insurance and shall not be called upon to contribute with it in any way.

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

3.16.3.4 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 VSD; and (2) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to VSD, its directors, officials, officers, employees, agents and volunteers.

3.16.4 Builders'/All Risk Policy Requirements. The builders'/all risk insurance shall provide that VSD be named as loss payee. In addition, the insurer shall waive all rights of subrogation against VSD.

3.16.5 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 VSD, its directors, officials, officers, employees, agents and volunteers.

3.16.6 Professional Liability Insurance. All architects, engineers, consultants or design professionals retained by Contractor shall also procure and maintain, for a period of five (5) years following completion of the Contract, errors and omissions liability insurance with a limit of not less than \$1,000,000 per occurrence. This insurance shall name VSD, its directors, officials, officers, employees, agents and volunteers as additional and insureds with respect to Work performed, and shall otherwise comply with all requirements of this Section.

3.16.7 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by VSD. Contractor shall guarantee that, at the option of VSD, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects VSD, its directors, officials, officers, employees, agents and volunteers; or (2) Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.16.8 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 VSD.

3.16.9 Verification of Coverage. Contractor shall furnish VSD with original certificates of insurance and endorsements effecting coverage required by this Contract on forms satisfactory to VSD. 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 VSD. All certificates and endorsements must be received and approved by VSD before work commences. VSD reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.16.10 Subcontractors. All subcontractors shall meet the requirements of this Section before commencing Work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

3.17 Bond Requirements.

3.17.1 Payment Bond. The Payment Bond requested by VSD and referenced in Section 2.4 above, and incorporated herein by reference, shall be executed and provided by Contractor to VSD concurrently with this Contract, in an amount required by VSD and in a form provided or approved by VSD. No payment will be made to Contractor until the bond has been received and approved by VSD.

3.17.2 Performance Bond. The Performance Bond requested by VSD and referenced in Section 2.4 above, and incorporated herein by reference, shall be executed and provide by Contractor to VSD concurrently with this Contract, in an amount required by VSD and in a form provided or approved by VSD. No payment will be made to Contractor until the bond has been received and approved by VSD.

3.17.3 Bond Provisions. Should, in VSD'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 VSD. 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 VSD, 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 VSD. To the extent, if any, that the Total Contract Price is increased in accordance with the Contract, Contractor shall, upon request of VSD, cause the amount of the bond to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to VSD. To the extent available, the bonds shall further provide that no change or alteration of the Contract (including, without limitation, an increase in the Total Contract Price, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to Contractor, will release the surety. If Contractor fails to furnish any required bond, VSD may terminate the Contract for cause.

3.17.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in California Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California-admitted surety and satisfactory to VSD. 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 VSD.

3.18 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 life saving 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.

3.19 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 VSD 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 VSD 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 VSD 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 reinstatement 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 VSD, regardless of whether or not such warranties and guarantees have been transferred or assigned to VSD by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of VSD. 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 VSD, VSD 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 VSD for any expenses incurred hereunder upon demand.

3.20 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 VSD 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 VSD, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold VSD, its officials, directors, 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.

3.21 Permits and Licenses. Contractor shall be responsible for securing VSD permits and licenses necessary to perform the Work described herein, including, but not limited to, a City Business License. While Contractor will not be charged a fee for any City permits, Contractor shall pay the City's applicable business license fee.

3.22 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 VSD'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.

3.23 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 VSD 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 VSD; and (3) unknown physical conditions of an unusual nature at the site, significantly different from those ordinarily encountered in such contract work. Upon notification, VSD 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.

3.24 Underground Utility Facilities. To the extent required by Section 4215 of the California Government Code, VSD 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 VSD to provide for removal or relocation of such utility facilities.

3.25 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Sections 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 certain “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. VSD shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. 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 the Contractor’s principal place of business and at the project site. Contractor shall defend, indemnify and hold the VSD, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.26 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.

3.27 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 the statutorily authorized penalty 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.

3.28 Payroll Records. In accordance with the requirements of California Labor Code Section 1776, Contractor shall keep accurate payroll records which are either on forms provided by the Division of Labor Standards Enforcement or which contain the same information required by such forms. Responsibility for compliance with California Labor Code Section 1776 shall rest solely with Contractor, and Contractor shall make all such records available for inspection at all reasonable hours.

3.29 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 “C” and incorporated herein by reference, shall be executed simultaneously with this Contract.

3.30 Labor and Material Releases. Contractor shall furnish the 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 VSD.

3.31 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.

3.32 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 VSD 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 VSD tender final payment to the Contractor, without further acknowledgment by the Parties.

3.33 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:

VSD

Valley Sanitary District
45-500 Van Buren Street
Indio, CA 92201
Attn: Joseph Glowitz

CONTRACTOR

Name
Address
City, State Zip Code
Attn:

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.

3.34 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.

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

3.36 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 VSD. If Contractor attempts an assignment or transfer of this Contract or any obligation, right, title or interest herein, VSD 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.

3.37 Governing Law. This Contract shall be governed by the laws of the State of California. Venue shall be in Riverside County.

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

3.39 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.

3.40 Claims of \$375,000 or Less. Notwithstanding any other provision herein, claims of \$375,000 or less shall be resolved pursuant to the alternative dispute resolution procedures set forth in California Public Contract Code §§ 20104, *et seq.*

3.41 Prohibited Interests.

3.41.1 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, VSD shall have the right to terminate this Contract without liability.

3.41.2 Conflict of Interest. For the term of this Contract, no member, officer or employee of VSD, during the term of his or her service with VSD, shall have any direct interest in this Contract, or obtain any present or anticipated material benefit arising therefrom.

3.42 Certification of License. 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.

IN WITNESS WHEREOF, each of the Parties has caused this Contract to be executed on the day and year first above written.

VALLEY SANITARY DISTRICT

CONTRACTOR NAME

By: _____
General Manager

By: _____
President
Contractor's License No. _____

EXHIBIT “A”

PROJECT BID PACKAGE

EXHIBIT “B”

SPECIAL CONDITIONS

NOT APPLICABLE

EXHIBIT "C"

**CERTIFICATION
LABOR CODE - SECTION 1861**

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.

Contractor Name

By: _____
President