

CONTRACT

PEDESTRIAN SAFETY ENHANCEMENT PROJECT 2022/23

CITY PROJECT NO. 22-454

CIP No. 13044

THIS CONTRACT, made and entered into the _____ day of _____, 2025, by and between the **City of Murrieta**, a municipal corporation, hereinafter referred to as "CITY," and **L.C. PAVING & SEALING INC.**, hereinafter referred to as "CONTRACTOR."

WITNESSETH:

That CITY and CONTRACTOR, for the consideration hereinafter named, mutually agree as follows:

1. **CONTRACT DOCUMENTS.** The complete Contract includes all of the Contract Documents, to wit: Notice Inviting Bids, Instructions to Bidders, Proposal, Performance Bond, Labor and Materials Bond, Plans and Special Provisions entitled PEDESTRIAN SAFETY ENHANCEMENT PROJECT 2022/23, Project No. 22-454, CIP No. 13044, Insurance Forms, this Contract, and all modifications and amendments thereto, and the 2015 version of the Standard Specifications for Public Works Construction, Parts 1 through 8, with the exception of Part 7, "Street Lighting and Traffic Signal Systems," and the addition of the Department of Transportation, State of California State Standard Specifications, Section 86, "Signals, Lighting and Electrical Systems," and Section 56, "Signs," and the Caltrans 2018 Standard Plans.

The Plans consist of:

WORK AREA EXHIBITS INCLUDED IN APPENDIX C

Copies of the Standard Specifications for Public Works Construction are available from the publisher:

Building News, Inc. (BNi)
990 Park Center Drive, Suite E
Vista, CA 92081
(760) 734-1113
www.bnibooks.com

The aforementioned Standard Specifications will control the general provisions, construction materials, and construction methods for this Contract except as amended by the Plans and Specifications of this Contract.

In case of conflict between the Standard Specifications for Public Works Construction or State Standard Specifications, and the remaining Contract Documents, the remaining Contract Documents shall take precedence over and be used in lieu of such conflicting portions.

Where the Plans or Specifications describe portions of the work in general terms, but not in complete detail, it is understood that the item is to be furnished and installed completed and in place and that only the best general practice is to be used. Unless

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otherwise specified, CONTRACTOR shall furnish all labor, materials, tools, equipment, and incidentals, and do all the work involved in executing the Contract.

The Contract Documents are complementary, and what is called for by anyone shall be as binding as if called for by all. Any conflict between this Contract and any other Contract Document shall be resolved in favor of this Contract.

2. **SCOPE OF WORK.** CONTRACTOR shall perform the work as shown on the Contract Drawings, shall furnish all the labor, materials, necessary tools, expendable equipment, and all utility and transportation services required for the completion of the following project:

**PEDESTRIAN SAFETY ENHANCEMENT PROJECT 2022/23
CITY PROJECT NO. 22-454
CIP No. 13044**

All of said work to be performed and materials to be furnished shall be in strict accordance with the Drawings and Specifications and the provisions of the Contract Documents hereinabove enumerated and adopted by CITY.

3. **CITY APPROVAL.** All labor, materials, tools, equipment, and services shall be furnished and work performed and completed under the direction and supervision and subject to the approval of CITY or its authorized representatives.
4. **CONTRACT AMOUNT AND SCHEDULE.** CITY agrees to pay and Contractor agrees to receive and accept the prices set forth in the proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

CONTRACTOR agrees to complete the work on **Pedestrian Safety Enhancement Project 2022/23, Project No. 22-454**, in a period not to exceed **60 working days** per Section 6-7 of the Standard Specifications for Public Works Construction, commencing upon the date stated in the Notice to Proceed by CITY. Construction shall not commence until bonds and insurance are approved by CITY.

5. **CHANGE ORDERS.** All change orders shall be approved by the City Council, except that the City Manager or his designee is hereby authorized by the City Council to make, by written order, changes or additions to the work in an amount not to exceed fifteen (15) percent of this Contract amount and the City Manager or his designee shall notify City Council in a public meeting if changes or additions to the work exceed ten (10) percent of this Contract amount.

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6. PAYMENTS/ACCEPTANCE OF WORK. The text of Subsection 9-3.2 of the Standard Specifications for Public Works Construction is hereby deleted and replaced with the following:

The closure date for the purpose of making partial progress payments will be the last day of each month. CONTRACTOR shall prepare the approximate measurement of the work performed through the closure date and submit it to CITY for approval by the tenth (10th) day of the following month. Payments will be withheld pending receipt of any outstanding reports required by the Contract Documents. A full five percent (5%) retention will be deducted from all progress payments. Partial payments on the Contract price shall not be considered as an acceptance of any part of the work.

Upon completion of the work, CONTRACTOR shall so notify Engineer, in writing, submit satisfactory evidence of payment for equipment, materials and labor, submit "CONTRACTOR'S AFFIDAVIT." Upon receipt of the notification, Engineer shall promptly, by personal inspection, determine the actual status of the work in accordance with the terms of the Contract. If he finds materials, equipment, or workmanship that do not meet the terms of the Contract, he shall prepare a preliminary punch list of such items and submit it to CONTRACTOR. Final determination of acceptability shall be made by CITY. Upon acceptance of the work, CITY shall file a Notice of Completion. The conditions of the guarantee shall commence on the date that CITY files a Notice of Completion. CITY shall make final payment to CONTRACTOR in the manner provided by law following the expiration of thirty-five (35) days after filing the Notice of Completion.

The final payment shall include the entire sum found to be due hereunder after deducting all previous payments and such other lawful amounts as the terms of this Contract describe.

7. LIQUIDATED DAMAGES; EXTENSION OF TIME. In accordance with Government Code Section 53069.85, CONTRACTOR agrees to forfeit and pay to CITY the sum of **five hundred dollars (\$500)** per day for each calendar day completion is delayed beyond the time allowed pursuant to paragraph 4 of this Contract. Such sum shall be deducted from any payments due to or to become due to CONTRACTOR. CONTRACTOR will be granted an extension of time and will not be assessed liquidated damages for unforeseeable delays beyond the control of and without the fault or negligence of CONTRACTOR, including delays caused by CITY. CONTRACTOR is required to promptly notify CITY of any such delay.
8. WAIVER OF CLAIMS. Unless a shorter time is specified elsewhere in this Contract, on or before making final request for payment under paragraph 6 above, CONTRACTOR shall submit to CITY, in writing, all claims for compensation under or arising out of this Contract; the acceptance by CONTRACTOR of the final payment shall constitute a waiver of all claims against CITY under or arising out of this Contract except those previously made in writing and request for payment. CONTRACTOR shall be required to execute an affidavit, release, and indemnity agreement with each claim for payment.

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9. PREVAILING WAGES. Pursuant to provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of workman needed to execute this Contract, from Director of the Department of Industrial Relations. These rates are on file with the City Clerk. Copies may be obtained at cost at the City Clerk's office of Murrieta. CONTRACTOR shall post a copy of such rates at the job site and shall pay the adopted prevailing wage rates as a minimum. CONTRACTOR shall comply with the provisions of Sections 1725.5, 1771, 1773.8, 1774, 1775, 1776, 1777.5, 1777.6, 1813, and 1815 of the Labor Code.

Pursuant to the provisions of 1775 of the Labor Code, CONTRACTOR shall forfeit to CITY, as a penalty, the sum of fifty dollars (\$50.00) for each calendar day, or portion thereof, for each laborer, worker, or mechanic employed, paid less than the stipulated prevailing rates for any work done under this Contract, by him or by any subcontractor under him, in violation of the provisions of the Contract.

10. WORKERS' COMPENSATION LIABILITY INSURANCE. CONTRACTOR, by executing this Agreement, hereby certifies:

"I am aware of the provision of Section 3700 of the Labor Code that requires every employer to be insured against liability for Workers' Compensation or undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract."

11. TIME OF THE ESSENCE. Time is of the essence in this Contract.
12. INDEMNIFICATION. All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR agrees to save, indemnify, hold harmless, and defend CITY, its officers, employees, and agents; and the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives against any and all liability, injuries, or death of persons (CONTRACTOR's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by CONTRACTOR, save and except claims or litigations arising through the sole active negligence or sole willful misconduct of CITY.
13. CONTRACTOR'S INDEPENDENT INVESTIGATION. No plea of ignorance of conditions that exist or that may hereafter exist or of conditions of difficulties that may be encountered in the execution of the work under this Contract, as a result of failure to make the necessary independent examinations and investigations, and no plea of reliance on initial investigations or reports prepared by CITY for purposes of letting this Contract out to bid will be accepted as an excuse for any failure or omission on the part of CONTRACTOR to fulfill in every detail all requirements of this Contract. Nor will such reasons be accepted as a basis for any claims whatsoever for extra compensation or for an extension of time.

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14. GRATUITIES. CONTRACTOR warrants that neither it nor any of its employees, agents, or representatives has offered or given any gratuities or promises to CITY's employees, agents, or representatives with a view toward securing this Contract or securing favorable treatment with respect thereto.
15. CONFLICT OF INTEREST. CONTRACTOR warrants that he has no blood or marriage relationship, and that he is not in any way associated with any City officer or employee, or any architect, engineer, or other preparer of the Drawings and Specifications for this project. CONTRACTOR further warrants that no person in his employ has been employed by CITY within one (1) year of the date of Notice Inviting Bids.
16. CONTRACTOR'S AFFIDAVIT. After completion of the work contemplated by this Contract, CONTRACTOR shall file with the City Manager his affidavit stating that all workmen and persons employed, all firms supplying materials, and all subcontractors upon the project have been paid in full, and that there are no claims outstanding against the project for either labor or materials, except certain items, if any, to be set forth in an affidavit covering disputed claims or items in connection with a Stop Notice that has been filed under the provisions of the laws of the State of California.
17. SIGNATURE OF CONTRACTOR

Corporations:

The signature must contain the name of the corporation, must be signed by the President and Secretary or Assistant Secretary, and the corporate seal must be affixed. Other persons may sign for the corporation in lieu of the above if a certified copy of a resolution of the corporate board of directors so authorizing them to do so is on file in the City Clerk's office.

Partnerships:

Names of all persons comprising the partnership or co-partnership must be stated. Bid must be signed by all partners comprising the partnership unless proof in the form of a certified copy of a certificate of partnership acknowledging signer to be a general partner is presented to the City Clerk, in which case the general partner may sign.

Joint Ventures:

Bids submitted as joint ventures must so state and be signed by each joint venturer.

Individuals:

Bids submitted by individuals must be signed by the bidder, unless an up-to-date power of attorney is on file in the City Clerk's office, in which case said person may sign for the individual.

The above rules also apply in the case of the use of a fictitious firm name. In addition, however, where the fictitious name is used, it must be so indicated in the signature.

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18. SUBSTITUTED SECURITY. In accordance with Section 22300 of the Public Contracts Code, CONTRACTOR may substitute securities for any monies withheld by CITY to ensure performance under the Contract. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with CITY or with a State or Federally chartered bank or an escrow agent who shall pay such monies to CONTRACTOR upon notification by CITY of CONTRACTOR's satisfactory completion of the Contract. The type of securities deposited and the method of release shall be approved by the City Attorney's office.
19. RESOLUTION OF CLAIMS. 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 as set forth below. The Contractor shall keep accurate, detailed records of all disputed work, claims and other disputed matters.

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

For purposes of these procedures, "claim" means a separate demand by the Contractor, after the City has denied Contractor's timely and duly made request for payment for extra work and/or a time extension, for (A) a time extension, (B) payment of money or damages arising from work done by or on behalf of the Contractor pursuant to the Contract and payment of which is not otherwise expressly provided for or the Contractor is not otherwise entitled to, or (C) an amount the payment of which is disputed by the City.

The following requirements apply to all claims to which this section applies:

(a) Claim Submittal. The claim shall be in writing and include the documents necessary to substantiate the claim. Claims governed by this procedure must be filed on or before the date of final payment. Nothing in this section is intended to extend the time limit or supersede notice requirements otherwise provided in the Contract for the filing of claims, including all requirements pertaining to compensation or payment for extra work, disputed work, and/or changed conditions. Failure to follow such contractual requirements shall bar any claims or subsequent lawsuits for compensation or payment thereon.

(b) Supporting Documentation. The Contractor shall submit all claims in the following format:

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(i) Summary of the claim, including references to the specific Contract Document provisions upon which the claim is based.

(ii) List of documents relating to claim: (a) Specifications, (b) Drawings, (c) Clarifications (Requests for Information), (d) Schedules, and (e) Other.

(iii) Chronology of events and correspondence related to the claim.

(iv) Statement of grounds for the claim.

(v) Analysis of the claim's cost, if any.

(vi) Analysis of the claim's time/schedule impact, if any.

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

(i) If the City needs approval from the City Council to provide the Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the City Council does not meet within the 45 calendar days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the City shall have up to three days following the next duly publicly noticed meeting of the City Council after the 45-day period, or extension, expires to provide the Contractor a written statement identifying the disputed portion and the undisputed portion.

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

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

(d) Meet and Confer. If the Contractor disputes the City's written response, or the City fails to respond within the time prescribed, the Contractor may so notify the City, in writing, either within 15 calendar days of receipt of the City's response or within 15 calendar days of the City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in

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dispute. Upon receipt of a demand, the City shall schedule a meet and confer conference within 30 calendar days for settlement of the dispute.

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

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

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

(iii) Unless otherwise agreed to by the City and the contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Public Contract Code Section 20104.4 to mediate after litigation has been commenced.

(iv) All unresolved claims shall be considered jointly in a single mediation, unless a new unrelated claim arises after mediation is completed.

(f) City's Responses. The City's failure to respond to a claim from the Contractor within the time periods described in this section or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of the City's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility of qualifications of the Contractor. City's failure to respond shall not waive City's rights to any subsequent procedures for the resolution of disputed claims.

(g) Government Code Claims. If following the mediation, the claim or any portion remains in dispute, the Contractor must comply with the claim procedures set forth in Government Code section 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, construction claims, and/or changed conditions, including any required mediation, have been followed by Contractor. If no such

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Government Code claim is submitted, or if the prerequisite contractual requirements are not satisfied, no action against the City may be filed. A Government Code claim must be filed no earlier than the date that Contractor completes all contractual prerequisites to filing a Government Code claim, including any required mediation. A Government Code claim shall be inclusive of all unresolved claims unless a new unrelated claim arises after the Government Code claim is submitted. For purposes of Government Code section 900 et seq., the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim to the City until the time the claim is denied, including any period of time utilized by the meet and confer conference or mediation that does not result in a complete resolutions of all claims.

(h) Civil Actions for Claims of \$375,000 or Less. The following procedures are established for all civil actions filed to resolve claims totaling \$375,000 or less:

(i) Within 60 calendar days, but no earlier than 30 calendar days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both Parties or unless mediation was held prior to commencement of the action in accordance with Public Contract Code section 9204 and the procedures in this Section. The mediation process shall provide for the selection within 15 calendar days by both Parties of a disinterested third person as mediator, shall be commenced within 30 calendar days of the submittal, and shall be concluded within 15 calendar days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both Parties. If the Parties fail to select a mediator within the 15-day period, either Party may petition the court to appoint the mediator.

(ii) If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.010) of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

(iii) Upon stipulation of the Parties, arbitrators appointed for these purposes shall be experienced in construction law, and, upon stipulation of the Parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the Parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division.

(iv) In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any Party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other Party arising out of the trial de novo.

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20. NOTICE TO CITY OF LABOR DISPUTES. Whenever CONTRACTOR has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of the Contract, CONTRACTOR shall immediately give notice thereof, including all relevant information with respect thereto, to CITY.
21. BOOKS AND RECORDS. CONTRACTOR's books, records, and plans or such part thereof as may be engaged in the performance of this Contract, shall at all reasonable times be subject to inspection and audit by any authorized representative of CITY.
22. UTILITY LOCATION. CITY acknowledges its responsibilities with respect to locating utility facilities pursuant to California Government Code Section 4215.
23. REGIONAL NOTIFICATION CENTERS. CONTRACTOR agrees to contact the appropriate regional notification center in accordance with Government Code Section 4216.2.
24. TRENCH PROTECTION AND EXCAVATION. CONTRACTOR shall submit its detailed plan for worker protection during the excavation of trenches required by the scope of the work in accordance with Labor Code Section 6705.
 - A. CONTRACTOR shall, without disturbing the condition, notify CITY, in writing, as soon as CONTRACTOR, or any of CONTRACTOR's subcontractors, agents, or employees have knowledge and reporting is possible, of the discovery of any of the following conditions:
 - (1) The presence of any material that CONTRACTOR believes is hazardous waste, as defined in Section 25117 of the Health and Safety Code;
 - (2) Subsurface or latent physical conditions at the site differing from those indicated in the specifications; or
 - (3) Unknown physical conditions at the site of any unusual nature, different materially for those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.
 - B. Pending a determination by CITY of appropriate action to be taken, CONTRACTOR shall provide security measures (e.g., fences) adequate to prevent the hazardous waste or physical conditions from causing bodily injury to any person.
 - C. CITY shall promptly investigate the reported conditions. If CITY, through and in the exercise of its sole discretion, determines that the conditions do materially differ or do involve hazardous waste, and will cause a decrease or increase in CONTRACTOR's cost of, or time required for, performance of any part of the work, then CITY shall issue a change order.
 - D. In the event of a dispute between CITY and CONTRACTOR as to whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in CONTRACTOR's cost of, or time required for, performance of any part of the work, CONTRACTOR shall not be excused from any scheduled completion date, and shall proceed with all work to be performed under the

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contract. CONTRACTOR shall retain any and all rights that pertain to the resolution of disputes and protests between the parties.

25. INSPECTION. The work shall be subject to inspection and testing by CITY and its authorized representatives during manufacture and construction and all other times and places, including, without limitation, the plans of CONTRACTOR and any of its suppliers. CONTRACTOR shall provide all reasonable facilities and assistance for the safety and convenience of inspectors. All inspections and tests shall be performed in such manner as to not unduly delay the work. The work shall be subject to final inspection and acceptance notwithstanding any payments or other prior inspections. Such final inspection shall be made within a reasonable time after completion of the work.
26. DISCRIMINATION. CONTRACTOR represents that it has not, and agrees that it will not, discriminate in its employment practices on the basis of race, creed, religion, national origin, color, sex, age, or handicap.
27. GOVERNING LAW. This Contract and any dispute arising hereunder shall be governed by the law of the State of California.
28. WRITTEN NOTICE. Any written notice required to be given in any part of the Contract Documents shall be performed by depositing the same in the U.S. Mail, postage prepaid, directed to the address of CONTRACTOR as set forth in the Contract Documents, and to CITY addressed as follows:

*Robert K. Moehling, P.E.
City Engineer
City of Murrieta
1 Town Square
Murrieta, CA 92562*

29. SPECIAL FEDERAL REQUIREMENTS

1. Contractor and Owner do hereby acknowledge that this project will be partially or fully funded with Community Development Block Grant (CDBG) funds [24 CFR 570] and is therefore subject to applicable Federal procurement, labor, environmental, equal opportunity, and other regulations.
2. Contractor shall maintain and keep books and records on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. Said books and records shall be made available to the County, the State of California, the Federal government, and to any authorized representative thereof for the purposes of audit at all reasonable times and places. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.
3. Contractor shall comply with the Davis-Bacon Fair Labor Standards Act (40 USC a-276, a-5) and the implementation regulations thereof. Contractor shall comply with the U.S.

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Department of Housing and Urban Development's Federal Labor Standards Provisions (HUD 4010). Contractor acknowledges that the applicable Wage Determination for this project is:

General Decision Number: CA 20250025

Modification Number: 0

Date: 01/03/2025

4. **Section 3 Compliance:** The Contractor hereby acknowledges that this federally-funded project is subject to Section 3 of the *Housing and Urban Development Act of 1968* [12 U.S.C. 1701u and 24 CFR Part 75] and agrees to the following:
- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
 - B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
 - C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
 - D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.
 - E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.
 - F. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

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- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

Additional Federal Requirements

Whereas, the work under this Agreement is subject to applicable Federal, State, and local laws and regulations, including but not limited to the regulations pertaining to the Community Development Block Grant program (24 CFR Part 570) and the Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200). Contractor, sub-contractors, Consultants, and sub-consultants agree to comply with, and are subject to, all applicable requirements as follows:

1. **Equal Employment Opportunity** - Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Part 60). The Contractor/Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, general identity or national origin. Contractor/Consultant will ensure that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, general identity or national origin. The Contractor/Consultant will take affirmative action to ensure that applicants are employed and the employees are treated during employment, without regard to their race color, religion, sex, sexual orientation, general identity or national origin. Such actions shall include, but are not limited to, the following: employment, up-grading, demotion, or transfer; recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor/Consultant agrees to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by the County setting forth the provisions of this non-discriminating clause.

2. **Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C.A. Section 3145)**: All contracts and subgrants in excess of \$2,000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.

3. **Davis-Bacon Act, as amended (40 U.S.C.A. Section 3141-3148)**: When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. A. Section 3141-3148) and as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under the Davis Bacon Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the U.S. Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the U.S. Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to HUD.

4. **Contract Work Hours and Safety Standards Act (40 U.S.C.A. 32701 through 3708)**: Where applicable, all contracts awarded by recipients in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with the

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Contract Work Hours and Safety Standards (40 U.S.C.A. 32701–3708), as supplemented by Department of Labor Regulations (29 CFR Part 5). Under Section 40 U.S.C.A. 3702, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. 40 U.S.C.A. 3704 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. **Rights to Inventions Made Under a Contract or Agreement**— Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by HUD.

6. **Rights to Data and Copyrights** – Contractors and consultants agree to comply with all applicable provisions pertaining to the use of data and copyrights pursuant to 48 CFR Part 27.404-3, Federal Acquisition Regulations (FAR).

7. **Air Pollution Prevention and Control (formally known as the Clean Air Act) (42 U.S.C.A. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C.A. Section 1251 et seq.), as amended:**—Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C.A. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).

8. **Byrd Anti-Lobbying Amendment (31 U.S.C.A. 1352)**— Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

9. **Debarment and Suspension (Executive Orders (E.O. s) 12549 and 12689)**—No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, “Debarment and Suspension,” as set forth at 24 CFR part 2424. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

10. **Drug-Free Workplace Requirements**— The Anti-Drug Abuse Act of 1988 (41 U.S.C.A. Section 8101-8103) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 2425.

11. **Access to Records and Records Retention:** The Consultant or Contractor, and any sub-consultants or sub-contractors, shall allow all duly authorized Federal, State, and/or County officials or authorized representatives access to the work area, as well as all books, documents, materials, papers, and records of the Consultant or Contractor, and any sub-consultants or sub-contractors, that are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions. The Consultant or Contractor, and any sub-consultants or sub-contractors, further agree to maintain and keep such books, documents, materials, papers, and records, on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.

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12. **Federal Employee Benefit Clause:** No member of or delegate to the congress of the United States, and no Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

13. **Energy Efficiency:** Mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, Dec. 22, 1975; 42 U.S.C.A. Section 6201, et. seq., 89 Stat. 871).

14. **Procurement of Recovered Materials (2 CFR 200.322.)** A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with 42 U.S.C. Section 6962 of the Solid Waste Disposal Act (42 U.S.C.A. Section 6901, et seq.), as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

15. **Build America, Buy America (BABA) Act:** The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

16. **Violence Against Women Act (VAWA):** VAWA provides housing protections for survivors of domestic and dating violence, sexual assault and stalking ("domestic violence"). VAWA 2022 reauthorizes, amends, and strengthens the VAWA of 1994, as amended (Pub. L. 103-322, tit. IV, sec. 40001-40703; 34 U.S.C. 12291 et seq.) HUD's implementing regulations for VAWA'S protections, rights, and responsibilities are codified in 24 CFR part 5, subpart L, and related provisions in HUD's program regulations (HUD's VAWA regulations). VAWA 2022 amendments took effect on October 1, 2022 and 2022 VAWA's reauthorization includes new implementation requirements. Grantees, subrecipients and developers shall ensure compliance with all requirements of VAWA including but not limited to: (a) Assure domestic violence survivors are not denied assistance as an applicant, or evicted, or have assistance terminated as a tenant because applicant or tenant is or has been a victim of domestic violence; (b) Implement an emergency transfer plan allowing domestic violence survivor to move to another safe and available unit; (c) Provide protections against denial, terminations, and evictions that directly result from being a victim of domestic violence; (d) Implement a low barrier certification process and allow self-certification of domestic violence.

- I. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC.1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance, or HUD-assisted projects covered by Section 3, shall to the greatest extent feasible be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- II. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
- III. The contractor agrees to send to each labor organization or representative of workers

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with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 Clause and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- IV. The contractor agrees to include this Section 3 Clause in every subcontract subject to compliance with regulations in 24 CFR part 75, and agrees to take appropriate actions, as provided in an applicable provision of the subcontract or in this Section 3 Clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 75.

(1) The contractor will certify that any vacant employment positions, including training positions, that are filled after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.

- V. Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- VI. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 USC 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

30. TERMINATION OF CONTRACT BY DEFAULT.

General. If, prior to the acceptance of the Work, the CONTRACTOR:

- a) becomes insolvent, assigns its assets for the benefit of its creditors, is unable to pay its debts as they become due, or is otherwise financially unable to complete the Work,
- b) abandons the Work by failing to report to the Work site and diligently prosecute the Work to completion,

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- c) disregards written instructions from the Engineer or materially violates provisions of the Contract Documents,
- d) fails to prosecute the Work according to the schedule approved by the Engineer,
- e) disregards laws or regulations of any public body having jurisdiction, or
- f) commits continuous or repeated violations of regulatory or statutory safety requirements, then the CITY will consider the CONTRACTOR in default of the Contract.

Notices and other written communications regarding default between the CONTRACTOR, the CITY, and the Surety shall be transmitted in accordance with Section 2-12 Greenbook Specifications, 2015.

Notice to Cure. The CITY will issue a written notice to cure the default to the Contract and its Surety. The CONTRACTOR shall commence satisfactory corrective actions within 5 Working Days after receipt.

Notice of Termination for Default. If the CONTRACTOR fails to commence satisfactory corrective action within 5 Working Days after receipt of the notice to cure, or to diligently continue satisfactory and timely correction of the default thereafter, then the CITY will recommend that the CONTRACTOR be found in default of the Contract and upon such finding by the CITY:

- a) will terminate the CONTRACTORS' right to perform under the Contract by issuing a written notice of termination for default to the CONTRACTOR and its Surety,
- b) may use any materials, equipment, tools or other facilities furnished by the CONTRACTOR to secure and maintain the Work site, and
- c) may furnish labor, equipment, and materials the CITY deems necessary to secure and maintain the Work site.

The provisions of this subsection shall be in addition to all other legal rights and remedies available to the CITY.

Responsibilities of the Surety. Upon receipt of the written notice of termination for default, the Surety shall immediately assume all rights, obligations and liabilities of the CONTRACTOR under the Contract. If the Surety fails to protect and maintain the Work site, the CITY may do so, and may recover all costs incurred. The Surety shall notify the CITY that it is assuming all rights, obligations and liabilities of the payable to the Surety as the Work progresses, subject to the terms of the Contract.

Within 15 Working Days of receipt of the written notice of termination for default, the Surety shall submit to the CITY a written plan detailing the course of action it intends to take to remedy the default. The CITY will review the plan and notify the Surety if the plan is satisfactory. If the Surety fails to submit a satisfactory plan, or if the Surety fails to maintain progress according to the plan accepted by the CITY, the CITY may, upon 48 hours written notice, exclude the Surety from the premises, take possession of all material and equipment, and complete the Work in any way the CITY deems to be expedient. The cost of completing the Work by the CITY shall be charged against the Surety and may be deducted from any monies due, or which would become due, the Surety. If the amounts

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due under the Contract are insufficient for completion, the Surety shall pay to the CITY, within 30 Days after the CITY submits an invoice, all costs in excess of the remaining Contract Price.

Payment. The Surety will be paid for completion of the Work in accordance with Section 9-3 of the Greenbook Specifications, 2015, less the value of damages caused to the CITY by acts of the CONTRACTOR.

31. TERMINATION OF CONTRACT FOR CONVENIENCE.

The CITY may terminate the Contract if it becomes impossible or impracticable to proceed, or because of conditions or events beyond the control of the CITY.

The CITY will issue a written notice of termination for convenience in accordance with Section 2-12 of the Greenbook Specifications, 2015. Upon receipt, the CONTRACTOR shall immediately cease work, except work the CONTRACTOR is directed to complete by the Engineer or required to complete for public safety and convenience. The CONTRACTOR shall immediately notify Subcontractors and suppliers to immediately cease their work.

The CONTRACTOR will be paid without duplication for:

- a) work completed in accordance with the Contract Documents prior to the effective date of termination for convenience;
- b) reasonable costs incurred in settlement of terminated contracts with Subcontractors, suppliers and others; and
- c) reasonable expenses directly attributed to termination.

The CONTRACTOR shall submit a final termination settlement proposal to the CITY no later than 90 days from the effective date of termination, unless extended, in writing, by the CITY upon written request by the CONTRACTOR.

If the CONTRACTOR fails to submit a proposal, the CITY may determine the amount, if any, due the CONTRACTOR as a result of the termination. The CITY will pay the CONTRACTOR the amount it determines to be reasonable, the CONTRACTOR shall provide notice to the CITY within 30 days of receipt of payment. Any amount due shall be as later determined by arbitration, if the CITY and the CONTRACTOR agree thereto, or as fixed in a court of law.

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IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed on the date first above written.

DATED: 2/5/2025

CONTRACTOR:

By:  _____

JOSE SALINAS

Print or type NAME

PRESIDENT

Print or type TITLE

(760)752-1743

Phone Number

By: _____

Print or type NAME

Print or type TITLE

Phone Number

CITY OF MURRIETA, DEPARTMENT OF PUBLIC WORKS/ENGINEERING

CITY OF MURRIETA:

DATED: _____

By: _____
Mayor Lori Stone

APPROVED AS TO FORM:

Tiffany J. Israel, City Attorney

ATTEST:

Cristal McDonald, CMC, City Clerk