

Meeting Date: 7/26/2016

Report Type: Consent

Report ID: 2016-00666

Title: Contracts: On-Call Drilling and Well Installation Services for City Landfills (Published for 10-Day Review 07/14/2016)

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute five-year contracts for On-Call Drilling and Well Installation Services contracts at City Landfills with Cascade Drilling, L.P., and Gulf Shore Construction Services, Inc. each in the not-to-exceed amounts of \$1 million per fiscal year and \$5 million for the five-year term.

Contact: Terrance Davis, Integrated Waste General Manager, (916) 808-4949, Department of Public Works

Presenter: None

Department: Public Works Department

Division: RSW Admin Services

Dept ID: 15005711

Attachments:

1-Description/Analysis

2-Agreement Gulf Shore

3-Agreement Cascade

City Attorney Review

Approved as to Form
Audreyell A. Anderson
7/11/2016 2:57:06 PM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 7/5/2016 3:57:47 PM

Description/Analysis

Issue Detail: The Department of Public Works, Recycling and Solid Waste Division (Division) requires the use of drilling contractors to install a variety of wells on landfill property to monitor, extract, and test methane gas and groundwater. Having two on-call contracts in place with qualified contractors will allow the Division to mobilize quickly to meet tight regulatory deadlines for completion of landfill borings.

Policy Considerations: The recommendation in this report is in accordance with City Code Chapter 3.60 regarding contracting for public works projects, and Resolution No. 2013-00367, which requires additional posting time for labor agreements and agreements greater than \$1 million.

Economic Impacts: The recommended contracts are expected to create 20.0 jobs (11.5 direct jobs and 8.5 jobs through indirect and induced activities) and create \$3,087,175 in total economic output (\$1,945,870 of direct output and another \$1,141,305 of output in indirect and induced activities).

These economic impacts are estimates developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations:

California Environmental Quality Act (CEQA): The recommendation in this report is exempt from environmental review under CEQA Guidelines Section 15304 (minor alterations to land).

Sustainability: Approval of two on-call contracts for drilling and well installation services will support the reduction of greenhouse gas production by methane gas generated at City landfills and will help protect groundwater near City landfills.

Commission/Committee Action: None

Rationale for Recommendation: Executing the recommended contracts will allow the City to meet strict regulatory agency deadlines for the drilling and installation of wells at City landfills and reduce staff time needed for bidding and award of individual contracts.

On May 5, 2016, the Division, in accordance with City Code Chapter 3.60, issued Request for Qualifications (RFQ) No. Q16155771001 to establish an on-call list of contractors qualified to provide drilling and well installation services at City landfills to meet regulatory compliance requirements. The RFQ was advertised on the City's Planet Bids website for bid opportunities. A total of three responses were received, one of which was determined to be non-responsive due to not meeting the submittal deadline.

Financial Considerations: Each contract will be for a five-year term, in an amount not to exceed \$1 million each fiscal year, for a cumulative not-to-exceed amount of \$5 million per contract. The contractors will be required to submit price proposals for each drilling/well installation project as necessary for the City to meet regulatory requirements. Purchase orders encumbering funds under these contracts will not be issued until the price proposal is evaluated and approved. Each contractor may have multiple projects awarded in a given year; however, the aggregate amount shall not exceed the annual contract limit.

Sufficient funding exists in the FY2016/17 Department of Public Works operating budget (Solid Waste Fund, Fund 6007) for services through June 30, 2017. Contract services after June 30, 2017 are subject to funding availability in the budget adopted for the applicable fiscal year.

Local Business Enterprise (LBE): Cascade Drilling, L.P. and Gulf Shore Construction, Inc. are not LBE certified. The minimum LBE participation requirement was waived by the Director of Public Works as staff has determined the waiver is in the City's best interest given the significance of pending regulatory compliance deadlines associated with the vendor's drilling activities.



City of Sacramento

Tax ID # if applicable:

Requires Council Approval: No YES Meeting: July 19, 2016

Real Estate Other Party Signature Needed Recording Requested

General Information

Type: Construction Contract PO Type: Formal Bid – Construction Services Not to Exceed \$5,000,000	Attachment: Supplemental No.: Original Doc Number:
Other Party: Gulf Shore Construction Services, Inc.	Certified Copies of Document::
Project Name: On-call Drilling and Well Installation	Deed: <input type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: Bid Transaction #: Q16155771001	E/SBE-%

Department Information

Department: Public Works Division: Recycling & Solid Waste
 Contract Manager: David Levine Project Mgr: Terrance Davis
 Contract Services: David Levine Director: Jerry Way
 Phone Number: 916-808-7943 DeptID Number: 15005771
 Comment:

Review and Signature Routing

Department	Signature or Initial	Date
Project Mgr:	<i>[Signature]</i>	6/27/16
Budget Review:	<i>[Signature]</i>	6/24/16
Contract Services:	<i>[Signature]</i>	6/24/16
City Attorney	Signature or Initial	Date
City Attorney:	<i>[Signature]</i>	6/29/2016

- Send interoffice mail to Jerry Way (MS 15000)
- Notify for Pick Up

Authorization Signature or Initial Date

Jerry Way _____

Director Public Works: _____

City Mgr: Yes No

For City Clerk Processing

Finalized:
Initial: _____

Date: _____

Imaged:
Initial: _____

Date: _____

Received:
(City Clerk Stamp Here)

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract.
(Approved On-Call Contractors – Orange*) (01-01-09)

Resolution No. / Date

AGREEMENT
(Construction Contract Over \$25,000)

THIS AGREEMENT is made and entered into on _____, 2016 ("Effective Date") is between the CITY OF SACRAMENTO, a municipal corporation ("City"), and **Gulf Shore Construction Services, Inc. 3383 Fitzgerald Road, Suite A, Rancho Cordova, CA 95742**, ("Contractor").

The City and Contractor hereby mutually agree as follows:

1. **CONTRACT DOCUMENTS**

The Contract Documents, sometimes also referred to as the "Contract," consist of the following items, which are hereby incorporated by reference as if set forth in full in this Agreement:

- The Notice to Contractors
- The Price Proposals submitted by the Contractor for each Task Order
- The Instructions to Bidders and Contract Specifications for the On-Call Drilling and Well Installation Services for City Landfills, Invitation to Bid Q16155771001
- The Local Business Enterprise ("LBE") Requirements
- The Requirements for the Non-Discrimination in Employee Benefits by City Contractors Ordinance and the Declaration of Compliance
- The City's Reference Guide for Construction Contracts
- The Addenda, if any
- This Agreement
- The Standard Specifications
- The Special Provisions
- The Plans and Technical Specifications (to be issued for each Task Order)
- The drawings and other data and all developments thereof prepared by City pursuant to the Agreement
- Performance Bond**
- Any modifications of any of the foregoing made or approved by City, including but not limited to duly authorized change orders.

Unless specifically noted otherwise, references to the "Standard Specifications" shall mean and refer to the Standard Specifications for Public Construction of the City of Sacramento approved by the Sacramento City Council on June 4, 2007 (Resolution No. 2007-350), and any subsequent amendments thereto approved by the Sacramento City Council or the Sacramento City Manager. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained in the Contract Documents are provided solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretation of the provisions to which they refer.

2. **DEFINITIONS**

Unless otherwise specifically provided herein, all words and phrases defined in the Standard Specifications shall have the same meaning and intent in this Agreement.

3. AGREEMENT CONTROLS

In the event of a conflict between any of the terms and conditions set forth in this Agreement and the terms and conditions set forth in other Contract Documents, the terms and conditions set forth in this Agreement shall prevail, except that the provisions of any duly authorized change order shall prevail over any conflicting provisions of this Agreement.

4. SCOPE OF CONTRACT

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of City, all the Work called for in the Task Orders issued under this Agreement and in accordance with Request for Qualifications (RFQ) Q16155771001, which is incorporated into this Agreement by this reference, entitled:

ON-CALL DRILLING AND WELL INSTALLATION SERVICES FOR CITY LANDFILLS

Contractor agrees to perform such Work in the manner designated in and in strict conformity with the Contract Documents.

The Task Orders will detail the scope of Work for each job and may involve varying levels of effort during the term of the Agreement. Contractor shall provide City with a Price Proposal for each Task Order and City may award that Task Order to Contractor. The need for services may not be continuous during the term. It is understood and agreed by Contractor that no services at all may be required and no Task Orders may be issued by City under this Agreement. Contractor shall not commence Work prior to receiving a Notice to Proceed from the City for the specific Task Order.

5. TERM OF AGREEMENT

The term of this Agreement shall commence on the Effective Date and shall extend for five years. The City may terminate this Agreement at its convenience as set forth in Section 29.

6. PREVAILING WAGES AND BONDS

The services provided under this Agreement constitute "public works" under California Labor Code section 1720 *et seq.* This Agreement is subject to the provisions of Sacramento City Code section 3.60.180, Payment of prevailing rate of wages—Maximum hours of labor—Penalties, and section 3.60.190, Apprentices. Sacramento City Code section 3.60.180 requires, among other things, that Contractor pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations pursuant to California Labor Code section 1773. Contractor and every lower-tier subcontractor shall submit certified payrolls and labor compliance documentation electronically when and as required by City. Contractor is responsible for compliance of these requirements by its subcontractors and shall include these requirements in every subcontract for services that constitute "public works" under California Labor Code section 1720 *et seq.*

Labor Code Section 1725.5 (enacted by SB 854) requires the Contractor and all subcontractors performing any work under this Agreement to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code Section 1725.5.

Contractor is required to supply a performance bond and payment bond on any Task Order exceeding \$25,000.

7. CONTRACT AMOUNT AND PAYMENTS

The total Agreement amount is not to exceed ONE MILLION DOLLARS (\$1,000,000.00) per fiscal year and not to exceed FIVE MILLION DOLLARS (\$5,000,000.00). City agrees to pay and Contractor agrees to accept, as complete payment for the Work, in accordance with the schedule and procedures set forth in the Contract Documents and subject to deductions, withholdings and additions as specified in the Contract Documents, a total sum that shall not exceed the total amount set forth above. In addition, subject to deductions, withholdings and additions as specified in the Contract Documents, payment for individual items of the Work shall be computed as follows:

- A. For items of the Work for which a lump sum price is specified in Contractor's Proposal Form, Contractor shall be paid the lump sum price(s) specified in Contractor's Proposal Form as set forth in Task Order; and
- B. For items of the Work for which a unit price is specified in Contractor's Proposal Form, Contractor shall be paid the sum computed at such unit price, or computed at a different price if such different price is determined by City in accordance with the Standard Specifications, based on the actual amount of each such item performed and/or furnished and incorporated in the Work; provided that in no event shall the total sum for a unit price item exceed the total bid amount set forth for such item in the Contractor's Proposal Form as set forth in each Task Order, unless authorized by Change Order.

8. PROGRESS PAYMENTS

Subject to the terms and conditions of this Agreement, City shall cause payments to be made upon demand of Contractor as follows:

- A. On or about the first of the month, the Engineer shall present to the Contractor a statement showing the amount of labor and materials incorporated in the Work through the twentieth (20) calendar day of the preceding month. After both Contractor and Engineer approve the statement in writing, and the City's labor compliance officer provides written approval, the City shall issue a certificate for ninety-five (95) percent of the amount of each Task Order it shall find to be due, subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations.
- B. No inaccuracy or error in said monthly estimates shall operate to release Contractor from damages arising from such Work or from enforcement of each and every provision of the Contract Documents, and City shall have the right subsequently to correct any error made in any estimate for payment.

- C. Contractor shall not be paid for any defective or improper Work.
- D. The remaining five (5) percent of the value of the Work performed under each Task Order, if unencumbered and subject to any deductions or withholdings authorized or required under this Agreement or any applicable Laws or Regulations, shall be released not later than sixty (60) days after completion and final acceptance of the Work by City. Acceptance by Contractor of the final payment for Work under each Task Order shall constitute a waiver of all claims against the City arising under the Contract Documents, except for disputed claims in stated amounts that the Contractor specifically reserves in writing, but only to the extent that the Contractor has complied with all procedures and requirements applicable to the presentation and processing of such claim(s) under the Contract Documents. Contractor shall be entitled to substitute securities for retention or to direct that payments of retention be made into escrow, as provided in Public Contract Code Section 22300, upon execution of the City's Escrow Agreement for Security Deposits in Lieu of Retention.
- E. The parties agree that, for purposes of the timely progress payment requirements specified in Public Contract Code Section 20104.50, the date that the City receives a statement jointly approved by the Contractor and the Engineer as provided above shall be deemed to constitute the date that City receives an undisputed and properly submitted payment request from the Contractor. Progress payments not made within 30 days after this date may be subject to payment of interest as provided in Public Contract Code Section 20104.50.
- F. This Contract is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in California Labor Code section 1771.4.

9. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this Agreement or any applicable Laws or Regulations, City is authorized or required to withhold, deduct or charge any sum of money against Contractor, City may deduct and retain the amount of such charge from the amount of the next succeeding progress estimate(s), or from any other moneys due or that may become due Contractor from City. If, on completion or termination of this Agreement, sums due Contractor are insufficient to pay City's charges, City shall have the right to recover the balance from Contractor or its Sureties.

10. COMMENCEMENT AND PROSECUTION OF WORK

Contractor shall commence the Work not later than fifteen (15) working days after the date of the written Notice to Proceed for each Task Order from City to Contractor and shall diligently prosecute the Work to final completion. The phrase "commence the Work" means to engage in a continuous program on-site including, but not limited to, site clearance, grading, dredging, land filling and the fabrications, erection, or installation of the Work. The Notice to Proceed shall be issued within fifteen (15) calendar days following execution of the Task Order by the City, subject to the filing by Contractor of any additional Bond amounts and current insurance certificates and endorsements, provided that the Engineer may delay issuance of the Notice to Proceed if the Engineer determines in the Engineer's sole discretion that conditions on the site of the Work are unsuitable for commencement of the Work. After the Notice to Proceed is issued, the continuous prosecution of Work by Contractor shall be subject only to Excusable Delays as defined in this Agreement.

11. TIME OF COMPLETION

The Work shall be brought to completion in the manner provided for in the Contract Documents on or before the date set forth in each Task Order (hereinafter called the "Completion Date") unless extensions of time are granted in accordance with the Contract Documents.

Failure to complete the entire Work by the Completion Date and in the manner provided for in the Contract Documents shall subject Contractor to liquidated damages as provided in this Agreement. Time is and shall be of the essence in the performance of the Contract and the Work.

12. PAYMENTS DO NOT IMPLY ACCEPTANCE OF WORK

The payment of any progress payment, or the acceptance thereof by Contractor, shall not constitute acceptance of the Work or any portion thereof and shall in no way reduce the liability of Contractor to replace unsatisfactory work or material, whether or not the unsatisfactory character of such work or material was apparent or detected at the time such payment was made.

13. ACCEPTANCE NOT RELEASE

Contractor shall correct immediately any defective or imperfect work or materials that may be discovered before final acceptance of the entire Work, whether or not such defect or imperfection was previously noticed or identified by the City. The inspection of the Work, or any part thereof, shall not relieve Contractor of any of its obligations to perform satisfactory work as herein specified.

Failure or neglect on the part of City or any of its officers, employees or authorized agents to discover, identify, condemn or reject defective or imperfect work or materials shall not be construed to imply an acceptance of such work or materials, if such defect or imperfection becomes evident at any time prior to final acceptance of the entire Work, nor shall such failure or neglect be construed as barring City from enforcing Contractor's warranty(ies) or otherwise recovering damages or such a sum of money as may be required to repair or rebuild the defective or imperfect work or materials whenever City may discover the same, subject only to any statutes of limitation that may apply to any such claim.

14. CITY'S RIGHT TO TAKE POSSESSION OF THE WORK IN WHOLE OR IN PART

The City shall have the right at any time to enter upon the Work site and perform work not covered by this Agreement, or to occupy and use a portion of the Work, prior to the date of the final acceptance of the Work as a whole, without in any way relieving Contractor of any obligations under this Agreement.

15. NO WAIVER OF REMEDIES

Neither the inspection by City, its officers, employees or agents, nor any certificate or other approval for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by City, nor any extensions of time, nor any position taken by City, its officers, employees or its agents shall operate as a waiver of any provision of the Contract Documents nor of any power

herein reserved to City or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies provided in the Contract Documents shall be taken and construed as cumulative; in addition to each and every other remedy herein provided, the City shall have any and all equitable and legal remedies that it would in any case have.

16. WARRANTY

Except as otherwise expressly provided in the Contract Documents, and excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect by City, Contractor warrants and guarantees all Work executed and all supplies, materials and devices of whatsoever nature incorporated in or attached to the Work, or otherwise provided as a part of the Work pursuant to the Contract, to be absolutely free of all defects of workmanship and materials for a period of one year after final acceptance of the Work under each Task Order by the City. Contractor shall repair or replace all work or material, together with any other work or material that may be displaced or damaged in so doing, that may prove defective in workmanship or material within this one year warranty period without expense or charge of any nature whatsoever to City.

In the event that Contractor shall fail to comply with the conditions of the foregoing warranty within ten (10) days after being notified of the defect in writing, City shall have the right, but shall not be obligated, to repair, or obtain the repair of, the defect and Contractor shall pay to City on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing warranty results in a condition that constitutes an immediate hazard to public health or safety, or any property interest, or any person, City shall have the right to immediately repair, or cause to be repaired, such defect, and Contractor shall pay to City on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include both temporary and permanent repairs that may be required as determined in the sole discretion and judgment of City.

In addition to the above, the Contractor shall make a written assignment of all manufacturer's and other product warranties to the City, prior to completion and final acceptance of the Work by City.

The Contractor's Performance Bond shall secure the performance of the Contractor's obligations under this Section 16, and the Contractor and its Surety shall be jointly and severally liable for these obligations.

17. LIQUIDATED DAMAGES IF WORK NOT COMPLETED ON TIME

- A. The actual fact of the occurrence of damages and the actual amount of the damages that City would suffer if the entire Work under each Task Order, and/or any specified portion thereof, were not completed within the time(s) specified herein are dependent upon many circumstances and conditions that could prevail in various combinations, and for this reason, it is impracticable and extremely difficult to fix the actual damages. Damages that City would suffer in the event of such delay include: loss of the use of the project; expenses of prolonged assignment to the project of an architectural and/or engineering staff; prolonged costs of administration, inspection, and supervision; increased operational expenses and/or impaired

operation of other facilities dependent upon completion of the project; and the loss and inconvenience suffered by the public within the City of Sacramento by reason of the delay in the completion of the project or portion thereof. Accordingly, the parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the amount(s) set forth herein as liquidated damages reflect the parties' best efforts at the time of entering into the Contract to estimate the damages that may be incurred by City and the public due to the Contractor's delay in completion of the Work and/or any specified portion thereof, and shall be presumed to be the amount of damages sustained by the failure of Contractor to complete the entire Work and/or any specified portion thereof within the time(s) specified herein.

- B. Contractor shall pay liquidated damages to City for failure to complete the entire Work by the Completion Date (as extended in accordance with the Contract Documents, if applicable) in the amount of \$1,000.00 for each calendar day after the Completion Date (as extended in accordance with the Contract Documents, if applicable), continuing to the time at which the entire Work under a Task Order is completed. Such amount is the actual cash value agreed upon by the City and Contractor as the loss to City and the public resulting from Contractor's default.

The parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the foregoing provisions provide for the imposition of liquidated damages from the Completion Date (as extended in accordance with the Contract Documents, if applicable) until the date of completion of the entire Work as determined by the Engineer in accordance with Section 8-4 of the Standard Specifications, whether or not the Work or any portion thereof is claimed or determined to be substantially complete prior to such date of completion.

THE FOLLOWING ADDITIONAL LIQUIDATED DAMAGES PROVISION(S) APPLY IF CHECKED:

- In addition to the potential damages described above, should Contractor's failure to complete a Task Order within the time(s) specified for that Task Order subject the City to penalties or fines from regulatory agencies or a juridical authority, Contractor shall pay additional liquidated damages to City in an amount equal to such penalties or fines. Such amount is the actual cash value agreed upon by the City and Contractor as the additional loss to City and the public resulting from Contractor's default.

CONTRACTOR'S ACKNOWLEDGMENT: _____

18. INDEMNITY AND HOLD HARMLESS

- A. Contractor shall defend, hold harmless and indemnify the City, its officers, employees, and agents, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, whether arising on or off the site of the Work, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this

provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform the Work by the Contractor, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder, or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, or (ii) the active negligence of City.

- B. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 18, nor shall the limits of such insurance limit the liability of Contractor hereunder. The provisions of this Section 18 shall survive any expiration or termination of the Contract.

19. CONTRACTOR SHALL ASSUME RISKS

Until the completion and final acceptance by City of all Work under this Agreement, the Work shall be under Contractor's responsible care and charge, and Contractor, at no cost to City, shall rebuild, repair, restore and make good all injuries, damages, re-erectments, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work.

20. GENERAL LIABILITY OF CONTRACTOR

Except as otherwise herein expressly stipulated, Contractor shall perform all the Work and furnish all the labor, materials, tools, equipment, apparatus, facilities, transportation, power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner and within the time herein specified. The mention of any specific duty or liability of Contractor shall not be construed as a limitation or restriction of any general liability or duty of Contractor, and any reference to any specific duty or liability shall be construed to be solely for the purpose of explanation.

21. INSURANCE

During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in this Section 21.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Work performed by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Contractor that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of Contractor and its subcontractors, products and completed operations of Contractor and its subcontractors, and premises owned, leased, or used by Contractor and its subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Contractor.
- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and its subcontractors; products and completed operations of Contractor and its subcontractors; and premises owned, leased, or used by Contractor and its subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 21 must be declared to and approved by the City in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Agreement, Contractor shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Contract approval.)

PO Box 257

Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:
CertsOnly-Portland@ebix.com

- (3) The City may withdraw its offer of contract or cancel this Agreement if the

certificates of insurance and endorsements required have not been provided prior to City's execution of this Agreement. The City may withhold payments to Contractor or cancel this Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

22. FAILURE TO MAINTAIN BONDS OR INSURANCE

If, at any time during the performance of this Agreement, Contractor fails to maintain any item of the bonds and/or insurance required under this Agreement in full force and effect, Contractor shall immediately suspend all work under this Agreement and notify City in writing of such failure. After such notice is provided, or if City discovers such failure and notifies Contractor, the City thereafter may withhold all contract payments due or that become due until notice is received by City that such bonds and/or insurance have been restored in full force and effect and that the premiums therefor have been paid for a period satisfactory to the Division of Risk Management. Contractor shall not resume work until notified by City to do so, and the City shall have no responsibility or liability for any costs incurred by Contractor as a result of such suspension of Work.

In addition to the foregoing, any failure to maintain any item of the required bonds and/or insurance at any time during the performance of this Agreement will be sufficient cause for termination of this Agreement by City.

The Contractor shall be solely responsible for, and shall defend, indemnify and hold harmless the City, its officers, employees and agents against and from, any and all damages, claims, losses, actions, costs or other expenses of any kind incurred by any party as a direct or indirect result of any suspension of Work or termination of this Agreement under the provisions of this Section.

23. EXCUSABLE DELAYS

For the purpose of this Agreement, the term "Excusable Delay" shall mean, and is limited to, delay caused directly by: acts of God; acts of a public enemy; fires; inclement weather as determined by the Engineer; riots; insurrections; epidemics; quarantine restrictions; strikes; lockouts; sitdowns; acts of a governmental agency; priorities or privileges established for the manufacture, assemble, or allotment of materials necessary in the Work by order, decree or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by City insofar as they necessarily require additional time in which to complete the Work; the prevention of Contractor from commencing or prosecuting the Work because of the acts of others, excepting Contractor's subcontractors or suppliers; or the prevention of Contractor from commencing or prosecuting the Work because of a Citywide failure of public utility service.

The term "Excusable Delay" shall specifically not include: (i) any delay that could have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor; (ii) any delay in

the prosecution of any part of the Work that does not constitute a Controlling Operation, whether or not such delay is unavoidable; (iii) any reasonable delay resulting from time required by City for review of any Contractor submittals and for the making of surveys, measurements and inspection; and, (iv) any delay arising from an interruption in the prosecution of the Work on account of reasonable interference by other contractors employed by City that does not necessarily prevent the completion of the entire Work within the time specified. Excusable Delays, if any, shall operate only to extend the Completion Date (not in excess of the period of such delay as determined by City) and shall not under any circumstances increase the amount City is required to pay Contractor except as otherwise provided in this Agreement.

24. CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event as soon as possible (not to exceed a period of ten (10) calendar days) after the initial occurrence of any delay that Contractor regards as or may later claim to be an Excusable Delay, the Contractor shall notify the Engineer in writing of such delay and its cause, in order that the Engineer: (i) may take immediate steps to prevent if possible the occurrence or continuance of the delay; or (ii) if this cannot be done, may determine whether the delay is to be considered excusable, how long it continues, and to what extent the prosecution and completion of the Work are delayed thereby. Said written notice shall constitute an application for an extension of time only if the notice requests such an extension and sets forth the Contractor's estimate of the additional time required together with a full description of the cause of the delay relied upon.

After the completion of any part or whole of the Work, the Engineer, in estimating the amount due Contractor, will assume that any and all delays that may have occurred in its prosecution and completion were not Excusable Delays, except for such delays for which the Contractor has provided timely written notice as required herein, and that the Engineer has found to be excusable. Contractor shall not be entitled to claim Excusable Delay for any delay for which the Contractor failed to provide such timely written notice.

25. EXTENSION OF TIME

If the Contractor complies with Section 24, above, and the Engineer finds a delay claimed by the Contractor to be an Excusable Delay, the Contractor shall be allowed an extension of time to complete the Work that is proportional to the period of Excusable Delay determined by the Engineer, subject to the approval by City of a change order granting such time extension. During a duly authorized extension for an Excusable Delay, City shall not charge liquidated damages against the Contractor for such delay.

If the City extends the time to complete the Work as provided herein, such extension shall in no way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such extension of time relieve or release the sureties of the Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such extension of time. The granting of any extension of time as provided herein shall in no way operate as a waiver on the part of City of its rights under this Agreement, excepting only extension of the Completion Date for such period of Excusable Delay as may be determined by the Engineer and approved by a duly authorized change order.

26. NO PAYMENT FOR DELAYS

No damages or compensation of any kind shall be paid to Contractor or any subcontractor because of delays in the progress of the Work whether or not such delays qualify for extension of time under this Agreement; except that this provision shall not preclude the recovery of damages for a delay caused by the City that is unreasonable under the circumstances and that is not within the contemplation of the parties, provided that the Contractor timely submits all such written notice(s) and fully complies with such other procedures as may be specified in the Contract Documents or any Laws or Regulations for Contractor to claim damages for such delay.

27. CHANGES IN THE WORK

Changes in the Work authorized or directed in accordance with the Contract Documents or Task Order and extensions of time of completion made necessary by reason thereof shall not in any way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such changes in the Work relieve or release the Sureties on Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such change in Work and to any extension of time made by reason thereof.

28. TERMINATION AFTER COMPLETION DATE

In addition to any other rights City may have, if any services or work required under the Contract (including but not limited to punch list items) are not completed as of the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), City may terminate this Agreement at any time after the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), by providing a written notice to Contractor specifying the date of termination. Such notice also may specify conditions or requirements that Contractor must meet to avoid termination of this Agreement on such date. If Contractor fails to fulfill all such conditions and requirements by such termination date, or, if no such conditions or requirements are specified, Contractor shall cease rendering services and performing work on such termination date, and shall not be entitled to receive any compensation for services rendered or work performed after such termination date. In the event of such termination, Contractor shall remain liable to City for liquidated damages incurred for any period of time prior to the termination date.

In addition to any other charges, withholdings or deductions authorized under this Agreement or any Laws or Regulations, if City terminates this Agreement pursuant to this section, City may withhold and deduct from any payment and/or retention funds otherwise due Contractor any sum necessary to pay the City's cost of completing or correcting, or contracting for the completion or correction of, any services or work under this Agreement that are not completed to the satisfaction of the City or that otherwise are deficient or require correction as of such termination date, including but not limited to incomplete punch list items. Such costs shall include all of the City's direct and indirect costs incurred to complete or correct such services or work, including the City's administrative and overhead costs. If the amount of payment(s) and/or retention funds otherwise due the Contractor are insufficient to pay such costs, City shall have the right to recover the balance of such costs from the Contractor and/or its Surety(ies).

29. TERMINATION FOR CONVENIENCE

Upon written notice to the Contractor, the City may at any time, without cause and without prejudice to any other right or remedy of the City, elect to terminate this Agreement for the convenience of City. In such case, the Contractor shall be paid (without duplication of any items, and after deduction and/or withholding of any amounts authorized to be deducted or withheld by the Contract Documents or any Laws or Regulations):

- A. For Work executed in accordance with the Contract Documents prior to the effective date of termination and determined to be acceptable by the Engineer, including fair and reasonable sums for overhead and profit on such Work;
- B. For reasonable claims, costs, losses, and damages incurred in settlement of terminated contracts with subcontractors, suppliers, and others; and
- C. For reasonable expenses directly attributable to termination.

Contractor shall not be paid for any loss of anticipated profits or revenue for any Work not performed prior to termination, nor for any economic loss arising out of or resulting from such termination, except for the payments listed in this section. Contractor's warranty under Section 16 of this Agreement shall apply, and Contractor shall remain responsible for all obligations related to such warranty, with respect to all portions of the Work performed prior to the effective date of the termination for convenience pursuant to this section. The City shall be entitled to have any or all remaining Work performed by other contractors or by any other means at any time after the effective date of a termination for convenience pursuant to this section.

30. TERMINATION FOR BREACH OF CONTRACT

If Contractor abandons the Work under this Agreement, or if this Agreement or any portion of this Agreement is sublet or assigned without the consent of the City, or if the Engineer determines in the Engineer's sole discretion that the conditions of this Agreement in respect to the rate of progress of the Work are not being fulfilled or any part thereof is unnecessarily delayed, or if Contractor violates or breaches, or fails to execute in good faith, any of the terms or conditions of this Agreement, or if Contractor refuses or fails to supply enough properly skilled labor or materials or refuses or fails to make prompt payment to subcontractors for material or labor, or if Contractor disregards any Laws or Regulations or proper instruction or orders of the Engineer, then, notwithstanding any provision to the contrary herein, the City may give Contractor and its Sureties written notification to immediately correct the situation or this Agreement shall be terminated.

In the event that such notice is given, and, in the event such situation is not corrected, or arrangements for correction satisfactory to the City are not made, within ten (10) calendar days from the date of such notice or within such other period of time as may be specified by the City in the notice, this Agreement shall upon the expiration of said period cease and terminate. In the event of any such termination, City may take over the Work and prosecute the Work to completion, or

otherwise, and the Contractor and its Sureties shall be liable to City for any cost occasioned City thereby, as hereinafter set forth.

In the event City completes the Work, or causes the Work to be completed, no payment of any kind shall be made to Contractor until the Work is complete. The cost of completing the Work, including but not limited to, extra costs of project administration and management incurred by City, both direct or indirect, shall be deducted from any sum then due, or that becomes due, to Contractor from City. If sums due to Contractor from City are less than the cost of completing the Work, Contractor and its Sureties shall pay City a sum equal to this difference on demand. In the event City completes the Work, and there is a sum remaining due to Contractor after City deducts the costs of completing the Work, then City shall pay such sum to Contractor. The Contractor and Contractor's Sureties shall be jointly and severally liable for all obligations imposed on Contractor hereunder.

No act by City before the Work is finally accepted, including, but not limited to, exercise of other rights under this Agreement, actions at law or in equity, extensions of time, payments, assessments of liquidated damages, occupation or acceptance of any part of the Work, waiver of any prior breach of this Agreement or failure to take action pursuant to this Section upon the happening of any prior default or breach of Contractor, shall be construed to be a waiver or estoppel of the City's right to act pursuant to this Section upon any subsequent event, occurrence or failure by Contractor to fulfill the terms and conditions of this Agreement. The rights of City to terminate this Agreement pursuant to this Section and pursuant to Sections 28 and 29 are cumulative and are in addition to all other rights of City pursuant to this Agreement and at law or in equity.

31. CONTRACTOR BANKRUPT

If Contractor should commence any bankruptcy proceeding, or if Contractor is adjudged a bankrupt, or if Contractor makes any assignment for the benefit of creditors, or if a receiver is appointed on account of Contractor's insolvency, then the City may, without prejudice to any other right or remedy, terminate this Contract and complete the work by giving notice as provided in Section 30 above.

32. SURETIES' OBLIGATIONS UPON TERMINATION

If the City terminates this Agreement pursuant to Section 30 or Section 31 above:

- A. The Surety under Contractor's performance bond shall be fully responsible for all of the Contractor's remaining obligations of performance under this Agreement as if the Surety were a party to this Agreement, including without limitation Contractor's obligations, as provided in the Contract Documents, to complete and provide a one-year warranty of the entire Work, pay liquidated damages and indemnify, defend and hold harmless City, up to the full amount of the performance bond.
- B. The Surety under Contractor's payment bond shall be fully responsible for the performance of all of the Contractor's remaining payment obligations for work, services, equipment or materials performed or provided in connection with the Work or any portion thereof, up to the full amount of the payment bond.

33. ACCOUNTING RECORDS OF CONTRACTOR

During performance of this Agreement and for a period of three (3) years after completing the entire Work, Contractor shall maintain all accounting and financial records related to this Agreement and performance of the Work in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the City upon reasonable written notice.

34. USE TAX REQUIREMENTS

During the performance of this Agreement, Contractor, for itself, its assignees and successors in interest, agrees as follows:

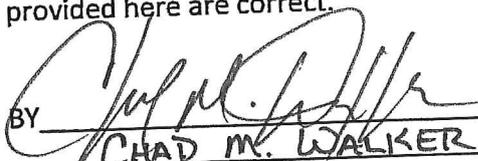
- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Work and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
- B. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set for opposite their names.

CONTRACTOR

Under penalty of perjury, I certify that the taxpayer identification number and all other information provided here are correct.

DATE 06/22/2016

BY 
CHAD M. WALKER

Print Name
PRESIDENT
Title

BY _____
Print Name

Title

27-0691869
Federal ID#

C3373903
State ID#

City of Sacramento Business Operation Tax
Certificate No. (City will not award contract until
Certificate Number is obtained)

Type of Business Entity (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

CITY OF SACRAMENTO
a municipal corporation

DATE _____

BY _____
For: John F. Shirey, City Manager

Original Approved As To Form:

Attest:



City Attorney

City Clerk

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COST TABLE 1 - LFG EXTRACTION WELLS

See Section 1.1 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger w/ 24-inch augers and all required support equipment.	Each	1	\$3,250 ⁻	\$3,250.00
2	Drilling - 24" diameter borings.	Foot	100	\$62 ⁻	\$6,200.00
3	Construction of 4" diameter LFG extraction casing including well screens, blank casing, centralizers, sand, bentonite, grout, concrete pad and protective casing.	Foot	100	\$59 ⁻	\$5,900.00
4	Install LFG Wellhead	Each	1	N/A	\$0.00
5	Containment of soil cuttings per well (drums, bin rental, etc.)	Each	1	\$2,700 ⁻	\$2,700.00
6	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
7	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$450 ⁻	
8	Stand-by time per hour (development rig and crew), if needed	Each	1	\$375 ⁻	
	TOTAL COSTS - TABLE 4				\$18,050.00

CONTRACTOR TO FILL IN BLUE CELLS

COST TABLE 2 - GROUNDWATER MONITORING WELLS

See Section 1.2 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger w/ 12-inch augers and all required support equipment.	Each	1	\$1,950-	\$1,950.00
2	Drilling - 12" diameter borings.	Foot	100	\$55-	\$5,500.00
3	Construction of 4" diameter monitoring wells including well screens, blank casing, centralizers, sand, bentonite, grout, concrete pad and protective casing.	Foot	100	\$48-	\$4,800.00
4	Well development of monitoring well (assume 5 hours per well)	Each	1	\$2,175-	\$2,175.00
5	Containment of soil cuttings per well (drums, bin rental, etc.)	Each	1	\$1,260-	\$1,260.00
6	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
7	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$450-	
8	Stand-by time per hour (development rig and crew), if needed	Each	1	\$375-	
					\$15,685.00
	TOTAL COSTS - TABLE 1				

CONTRACTOR TO FILL IN BLUE CELLS

COST TABLE 3 - PIEZOMETERS

See Section 1.3 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger/Air Rotary rig and all required support equipment.	Each	1	\$3,900 ⁻	\$3,900.00
2	Drilling - 15" diameter borings.	Foot	100	\$73 ⁻	\$7,300.00
3	Placement of 8" diameter steel conductor casing through wastes, including cementing in place.	Foot	100	\$82 ⁻	\$8,200.00
4	Drilling of nominal 8" diameter borings through conductor casing and +/-20 feet into groundwater.	Foot	100	\$65.50	\$6,550.00
5	Construction of five 2" diameter piezometers installed through the steel casing, including sand pack, bentonite slurry, and surface completions.	Foot	100	\$54 ⁻	\$5,400.00
6	Well development of five piezometers (assume 4 hours per well)	Each	1	\$1,800 ⁻	\$1,800.00
7	Containment of waste and soil cuttings per well (drums, bin rental, etc.)	Each	1	\$1,800 ⁻	\$1,800.00
8	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
					\$0.00
9	Stand-by time per hour (drilling rig and crew), if needed	Hour	1	\$450 ⁻	
10	Stand-by time per hour (development/pump setting rig and crew), if needed	Hour	1	\$375 ⁻	
	TOTAL COSTS - TABLE 2				\$34,950.00

CONTRACTOR TO FILL IN BLUE CELLS

COST TABLE 4 - DPT BORINGS

See Section 1.4 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Direct push rig and all required support equipment.	Each	1	\$925	\$1,000.00
2	Drilling - DPT borings with continuous coring and water sampling.	Foot	100	\$32.50	\$3,250.00
3	Cementing of DPT borehole	Foot	100	\$3.00	\$300.00
4	Containment of soil cuttings (drums, bin rental, etc.), including transportation to onsite designated storage area.	Total	1	\$250.00	\$250.00
5	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
6	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$375.00	\$0.00
7	Additional mobilization if more DPT borings are needed but cannot be completed in same mobilization as #1 above.	Each	1	\$725.00	\$0.00
					\$4,725.00
	TOTAL COSTS - TABLE 3				

CONTRACTOR TO FILL IN BLUE CELLS



CERTIFICATE OF LIABILITY INSURANCE

GULFS-1

OP ID: KV

DATE (MM/DD/YYYY)

06/21/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Capital Sierra Ins. Svc. LLC.
P.O. Box 800
El Dorado, CA 95623
Kathleen Verplancken

CONTACT NAME: Kathleen Verplancken
PHONE (A/C, No, Ext): 530-622-9300 FAX (A/C, No): 530-622-9303
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Financial Indemnity Company	19852
INSURER B:	Evanston Insurance Company	
INSURER C:	State Compensation Ins. Fund	
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
Gulf Shore Construction Svc
Inc. dba: GS Exploration
3383 Fitzgerald Rd., Ste. A
Rancho Cordova, CA 95742

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$	
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	X		CCFICR3621238	02/10/2016	02/10/2017	COMBINED SINGLE LIMIT (Ea accident) \$	1,000,000
B	UMBRELLA LIAB <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			XOBW6408916	02/10/2016	02/10/2017	EACH OCCURRENCE \$	1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	X 9066578-15	08/02/2015	08/02/2016	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
The City of Sacramento, Dept of Public Works, its officials, employees and volunteers shall be named as additional insured as respects the auto liability. Waiver of subrogation applies to workers compensation per blanket waiver form 2572, attached

CERTIFICATE HOLDER

City of Sacramento
Dept of Public Works
2812 Meadowview Rd, Bldg 1
Sacramento, CA 95832

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Kathleen Verplancken

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ENDORSEMENT AGREEMENT
WAIVER OF SUBROGATION
BLANKET BASIS

BROKER COPY

REP A5
9066578-15
RENEWAL
NF
5-57-86-98
PAGE 1 OF 1

HOME OFFICE
SAN FRANCISCO

EFFECTIVE AUGUST 2, 2015 AT 12.01 A.M.
AND EXPIRING AUGUST 2, 2016 AT 12.01 A.M.

ALL EFFECTIVE DATES ARE
AT 12:01 AM PACIFIC
STANDARD TIME OR THE
TIME INDICATED AT
PACIFIC STANDARD TIME

G S EXPLORATION
3383 FITZGERALD RD STE A
RANCHO CORDOVA, CA 95742

WE HAVE THE RIGHT TO RECOVER OUR PAYMENTS FROM ANYONE
LIABLE FOR AN INJURY COVERED BY THIS POLICY. WE WILL
NOT ENFORCE OUR RIGHT AGAINST THE PERSON OR
ORGANIZATION NAMED IN THE SCHEDULE.

THIS AGREEMENT APPLIES ONLY TO THE EXTENT THAT YOU
PERFORM WORK UNDER A WRITTEN CONTRACT THAT REQUIRES YOU
TO OBTAIN THIS AGREEMENT FROM US.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE
2.00% OF THE TOTAL POLICY PREMIUM.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

ANY PERSON OR ORGANIZATION
FOR WHOM THE NAMED INSURED
HAS AGREED BY WRITTEN
CONTRACT TO FURNISH THIS
WAIVER

BLANKET WAIVER OF
SUBROGATION

NOTHING IN THIS ENDORSEMENT CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE
OR EXTEND ANY OF THE TERMS, CONDITIONS, AGREEMENTS, OR LIMITATIONS OF THIS
POLICY OTHER THAN AS STATED. NOTHING ELSEWHERE IN THIS POLICY SHALL BE
HELD TO VARY, ALTER, WAIVE OR LIMIT THE TERMS, CONDITIONS, AGREEMENTS OR
LIMITATIONS OF THIS ENDORSEMENT.

COUNTERSIGNED AND ISSUED AT SAN FRANCISCO: JULY 30, 2015

Kent R. Va. Lauf
AUTHORIZED REPRESENTATIVE

Vernon Steiner
PRESIDENT AND CEO

SCIF FORM 10217 (REV.7-2014)

2572
OLD DP 217



CERTIFICATE OF LIABILITY INSURANCE

OP ID: JI

DATE (MM/DD/YYYY)

06/29/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Morrison Insurance Agency, Inc
4444 York Street, Suite 201
Metairie, LA 70001
Ashley M. Kennedy

CONTACT NAME: **Ashley Kennedy**
PHONE (A/C, No, Ext): **504-888-9393** FAX (A/C, No): **504-888-9996**
E-MAIL ADDRESS: **akennedy@morrison-ins.com**
PRODUCER CUSTOMER ID #: **GULFC-1**

INSURED
**Gulf Shore Construction Services Inc
dba GS Exploration
PO BOX 1501
SHINGLE SPRINGS, CA 95682**

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	United Specialty Insurance Co.	12537
INSURER B:	Scottsdale Insurance Co.	41297
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Blnkt Add Insr <input checked="" type="checkbox"/> Blnkt Wavier GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC		USA4096782	11/05/2015	11/05/2016	EACH OCCURRENCE \$ 3,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 3,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COM/OP AGG \$ 4,000,000 Prof Liab \$ 3,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$ \$ EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> Y/N <input type="checkbox"/> N/A		CPS2303073	11/15/2015	11/15/2016	Leased \$ 100,000 Scheduled \$ 200,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Blanket Additional Insured is issued in favor of the General Liability (ENV 2019 1209) and Auto. Also blanket Waiver of Subrogation is issued in favor to the General Liability when required by written contract.

CERTIFICATE HOLDER

CITPORT

City of Sacramento
c/o Ebix RCS
P.O. Box 257
Portland, MI 48875-0257

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Ashley Kennedy

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED
OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

**ENVIRONMENTAL CONTRACTORS & CONSULTANTS COMMERCIAL GENERAL LIABILITY,
CONTRACTORS POLLUTION LIABILITY AND CONSULTANT'S PROFESSIONAL LIABILITY POLICY**

SCHEDULE

<p>Designated Person or Organization: Blanket as required by written contract</p>	<p>Designated Project or Premises: Blanket as required by written contract</p>
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In consideration of the premium paid, it is hereby agreed that **Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the **Schedule** above, but only with respect to "bodily injury", "property damage", or "environmental damage" caused, in whole or in part, by "your work" at the project or premises shown in the **Schedule** above performed for that additional insured and included in the "products-completed operations hazard".

All other terms and conditions of this policy remain unchanged.



Requires Council Approval: [] No [X] YES Meeting: July 19, 2016
[] Real Estate [] Other Party Signature Needed [] Recording Requested

General Information

Form with fields: Type: Construction Contract, Attachment: Supplemental No., PO Type: Formal Bid - Construction Services, Original Doc Number, Not to Exceed \$5,000,000, Other Party: Cascade Drilling, L.P., Certified Copies of Document, Project Name: On-call Drilling and Well Installation, Deed: [] None [] Included [] Separate, Project Number, Bid Transaction #: Q16155771001, E/SBE-%

Department Information

Department: Public Works Division: Recycling & Solid Waste
Contract Manager: David Levine Project Mgr: Terrance Davis
Contract Services: David Levine Director: Jerry Way
Phone Number: 916-808-7943 DeptID Number: 15005771

Comment:

Review and Signature Routing

Table with columns: Department, Signature or Initial, Date. Rows for Project Mgr, Budget Review, Contract Services, and City Attorney.

[X] Send interoffice mail to Jerry Way (MS 15000)
[] Notify for Pick Up

Authorization Signature or Initial Date
Jerry Way
Director Public Works:
City Mgr: Yes [] No [X]

For City Clerk Processing
Finalized: Initial: Date:
Imaged: Initial: Date:
Received: (City Clerk Stamp Here)

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract.
(Approved On-Call Contractors - Orange*) (01-01-09)

Resolution No. / Date

AGREEMENT
(Construction Contract Over \$25,000)

THIS AGREEMENT is made and entered into on _____, 2016 ("Effective Date") is between the CITY OF SACRAMENTO, a municipal corporation ("City"), and **Cascade Drilling, L.P. 3000 Duluth Street, West Sacramento, CA 95691**, ("Contractor").

The City and Contractor hereby mutually agree as follows:

1. **CONTRACT DOCUMENTS**

The Contract Documents, sometimes also referred to as the "Contract," consist of the following items, which are hereby incorporated by reference as if set forth in full in this Agreement:

- The Notice to Contractors
 - The Price Proposals submitted by the Contractor for each Task Order
 - The Instructions to Bidders and Contract Specifications for the On-Call Drilling and Well Installation Services for City Landfills, Invitation to Bid Q16155771001
 - The Local Business Enterprise ("LBE") Requirements
 - The Requirements for the Non-Discrimination in Employee Benefits by City Contractors Ordinance and the Declaration of Compliance
 - The City's Reference Guide for Construction Contracts
 - The Addenda, if any
 - This Agreement
 - The Standard Specifications
 - The Special Provisions
 - The Plans and Technical Specifications (to be issued for each Task Order)
 - The drawings and other data and all developments thereof prepared by City pursuant to the Agreement
 - Performance Bond and Payment Bond**
- Any modifications of any of the foregoing made or approved by City, including but not limited to duly authorized change orders.

Unless specifically noted otherwise, references to the "Standard Specifications" shall mean and refer to the Standard Specifications for Public Construction of the City of Sacramento approved by the Sacramento City Council on June 4, 2007 (Resolution No. 2007-350), and any subsequent amendments thereto approved by the Sacramento City Council or the Sacramento City Manager. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained in the Contract Documents are provided solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretation of the provisions to which they refer.

2. **DEFINITIONS**

Unless otherwise specifically provided herein, all words and phrases defined in the Standard Specifications shall have the same meaning and intent in this Agreement.

3. AGREEMENT CONTROLS

In the event of a conflict between any of the terms and conditions set forth in this Agreement and the terms and conditions set forth in other Contract Documents, the terms and conditions set forth in this Agreement shall prevail, except that the provisions of any duly authorized change order shall prevail over any conflicting provisions of this Agreement.

4. SCOPE OF CONTRACT

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of City, all the Work called for in the Task Orders issued under this Agreement and in accordance with Request for Qualifications (RFQ) Q16155771001, which is incorporated into this Agreement by this reference, entitled:

ON-CALL DRILLING AND WELL INSTALLATION SERVICES FOR CITY LANDFILLS

Contractor agrees to perform such Work in the manner designated in and in strict conformity with the Contract Documents.

The Task Orders will detail the scope of Work for each job and may involve varying levels of effort during the term of the Agreement. Contractor shall provide City with a Price Proposal for each Task Order and City may award that Task Order to Contractor. The need for services may not be continuous during the term. It is understood and agreed by Contractor that no services at all may be required and no Task Orders may be issued by City under this Agreement. Contractor shall not commence Work prior to receiving a Notice to Proceed from the City for the specific Task Order.

5. TERM OF AGREEMENT

The term of this Agreement shall commence on the Effective Date and shall extend for five years. The City may terminate this Agreement at its convenience as set forth in Section 29.

6. PREVAILING WAGES AND BONDS

The services provided under this Agreement constitute "public works" under California Labor Code section 1720 *et seq.* This Agreement is subject to the provisions of Sacramento City Code section 3.60.180, Payment of prevailing rate of wages—Maximum hours of labor—Penalties, and section 3.60.190, Apprentices. Sacramento City Code section 3.60.180 requires, among other things, that Contractor pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations pursuant to California Labor Code section 1773. Contractor and every lower-tier subcontractor shall submit certified payrolls and labor compliance documentation electronically when and as required by City. Contractor is responsible for compliance of these requirements by its subcontractors and shall include these requirements in every subcontract for services that constitute "public works" under California Labor Code section 1720 *et seq.*

Labor Code Section 1725.5 (enacted by SB 854) requires the Contractor and all subcontractors performing any work under this Agreement to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code Section 1725.5.

Contractor is required to supply a performance bond and payment bond on any Task Order exceeding \$25,000.

7. CONTRACT AMOUNT AND PAYMENTS

The total Agreement amount is not to exceed ONE MILLION DOLLARS (\$1,000,000.00) per fiscal year and not to exceed FIVE MILLION DOLLARS (\$5,000,000.00). City agrees to pay and Contractor agrees to accept, as complete payment for the Work, in accordance with the schedule and procedures set forth in the Contract Documents and subject to deductions, withholdings and additions as specified in the Contract Documents, a total sum that shall not exceed the total amount set forth above. In addition, subject to deductions, withholdings and additions as specified in the Contract Documents, payment for individual items of the Work shall be computed as follows:

- A. For items of the Work for which a lump sum price is specified in Contractor's Proposal Form, Contractor shall be paid the lump sum price(s) specified in Contractor's Proposal Form as set forth in Task Order; and
- B. For items of the Work for which a unit price is specified in Contractor's Proposal Form, Contractor shall be paid the sum computed at such unit price, or computed at a different price if such different price is determined by City in accordance with the Standard Specifications, based on the actual amount of each such item performed and/or furnished and incorporated in the Work; provided that in no event shall the total sum for a unit price item exceed the total bid amount set forth for such item in the Contractor's Proposal Form as set forth in each Task Order, unless authorized by Change Order.

8. PROGRESS PAYMENTS

Subject to the terms and conditions of this Agreement, City shall cause payments to be made upon demand of Contractor as follows:

- A. On or about the first of the month, the Engineer shall present to the Contractor a statement showing the amount of labor and materials incorporated in the Work through the twentieth (20) calendar day of the preceding month. After both Contractor and Engineer approve the statement in writing, and the City's labor compliance officer provides written approval, the City shall issue a certificate for ninety-five (95) percent of the amount of each Task Order it shall find to be due, subject to any deductions or withholdings authorized or required under the Contract or any applicable Laws or Regulations.
- B. No inaccuracy or error in said monthly estimates shall operate to release Contractor from damages arising from such Work or from enforcement of each and every provision of the Contract Documents, and City shall have the right subsequently to correct any error made in any estimate for payment.

- C. Contractor shall not be paid for any defective or improper Work.
- D. The remaining five (5) percent of the value of the Work performed under each Task Order, if unencumbered and subject to any deductions or withholdings authorized or required under this Agreement or any applicable Laws or Regulations, shall be released not later than sixty (60) days after completion and final acceptance of the Work by City. Acceptance by Contractor of the final payment for Work under each Task Order shall constitute a waiver of all claims against the City arising under the Contract Documents, except for disputed claims in stated amounts that the Contractor specifically reserves in writing, but only to the extent that the Contractor has complied with all procedures and requirements applicable to the presentation and processing of such claim(s) under the Contract Documents. Contractor shall be entitled to substitute securities for retention or to direct that payments of retention be made into escrow, as provided in Public Contract Code Section 22300, upon execution of the City's Escrow Agreement for Security Deposits in Lieu of Retention.
- E. The parties agree that, for purposes of the timely progress payment requirements specified in Public Contract Code Section 20104.50, the date that the City receives a statement jointly approved by the Contractor and the Engineer as provided above shall be deemed to constitute the date that City receives an undisputed and properly submitted payment request from the Contractor. Progress payments not made within 30 days after this date may be subject to payment of interest as provided in Public Contract Code Section 20104.50.
- F. This Contract is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in California Labor Code section 1771.4.

9. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this Agreement or any applicable Laws or Regulations, City is authorized or required to withhold, deduct or charge any sum of money against Contractor, City may deduct and retain the amount of such charge from the amount of the next succeeding progress estimate(s), or from any other moneys due or that may become due Contractor from City. If, on completion or termination of this Agreement, sums due Contractor are insufficient to pay City's charges, City shall have the right to recover the balance from Contractor or its Sureties.

10. COMMENCEMENT AND PROSECUTION OF WORK

Contractor shall commence the Work not later than fifteen (15) working days after the date of the written Notice to Proceed for each Task Order from City to Contractor and shall diligently prosecute the Work to final completion. The phrase "commence the Work" means to engage in a continuous program on-site including, but not limited to, site clearance, grading, dredging, land filling and the fabrications, erection, or installation of the Work. The Notice to Proceed shall be issued within fifteen (15) calendar days following execution of the Task Order by the City, subject to the filing by Contractor of any additional Bond amounts and current insurance certificates and endorsements, provided that the Engineer may delay issuance of the Notice to Proceed if the Engineer determines in the Engineer's sole discretion that conditions on the site of the Work are unsuitable for commencement of the Work. After the Notice to Proceed is issued, the continuous prosecution of Work by Contractor shall be subject only to Excusable Delays as defined in this Agreement.

11. TIME OF COMPLETION

The Work shall be brought to completion in the manner provided for in the Contract Documents on or before the date set forth in each Task Order (hereinafter called the "Completion Date") unless extensions of time are granted in accordance with the Contract Documents.

Failure to complete the entire Work by the Completion Date and in the manner provided for in the Contract Documents shall subject Contractor to liquidated damages as provided in this Agreement. Time is and shall be of the essence in the performance of the Contract and the Work.

12. PAYMENTS DO NOT IMPLY ACCEPTANCE OF WORK

The payment of any progress payment, or the acceptance thereof by Contractor, shall not constitute acceptance of the Work or any portion thereof and shall in no way reduce the liability of Contractor to replace unsatisfactory work or material, whether or not the unsatisfactory character of such work or material was apparent or detected at the time such payment was made.

13. ACCEPTANCE NOT RELEASE

Contractor shall correct immediately any defective or imperfect work or materials that may be discovered before final acceptance of the entire Work, whether or not such defect or imperfection was previously noticed or identified by the City. The inspection of the Work, or any part thereof, shall not relieve Contractor of any of its obligations to perform satisfactory work as herein specified.

Failure or neglect on the part of City or any of its officers, employees or authorized agents to discover, identify, condemn or reject defective or imperfect work or materials shall not be construed to imply an acceptance of such work or materials, if such defect or imperfection becomes evident at any time prior to final acceptance of the entire Work, nor shall such failure or neglect be construed as barring City from enforcing Contractor's warranty(ies) or otherwise recovering damages or such a sum of money as may be required to repair or rebuild the defective or imperfect work or materials whenever City may discover the same, subject only to any statutes of limitation that may apply to any such claim.

14. CITY'S RIGHT TO TAKE POSSESSION OF THE WORK IN WHOLE OR IN PART

The City shall have the right at any time to enter upon the Work site and perform work not covered by this Agreement, or to occupy and use a portion of the Work, prior to the date of the final acceptance of the Work as a whole, without in any way relieving Contractor of any obligations under this Agreement.

15. NO WAIVER OF REMEDIES

Neither the inspection by City, its officers, employees or agents, nor any certificate or other approval for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by City, nor any extensions of time, nor any position taken by City, its officers, employees or its agents shall operate as a waiver of any provision of the Contract Documents nor of any power

herein reserved to City or any right to damages herein provided, nor shall any waiver of any breach of this Agreement be held to be a waiver of any other or subsequent breach. All remedies provided in the Contract Documents shall be taken and construed as cumulative; in addition to each and every other remedy herein provided, the City shall have any and all equitable and legal remedies that it would in any case have.

16. WARRANTY

Except as otherwise expressly provided in the Contract Documents, and excepting only items of routine maintenance, ordinary wear and tear and unusual abuse or neglect by City, Contractor warrants and guarantees all Work executed and all supplies, materials and devices of whatsoever nature incorporated in or attached to the Work, or otherwise provided as a part of the Work pursuant to the Contract, to be absolutely free of all defects of workmanship and materials for a period of one year after final acceptance of the Work under each Task Order by the City. Contractor shall repair or replace all work or material, together with any other work or material that may be displaced or damaged in so doing, that may prove defective in workmanship or material within this one year warranty period without expense or charge of any nature whatsoever to City.

In the event that Contractor shall fail to comply with the conditions of the foregoing warranty within ten (10) days after being notified of the defect in writing, City shall have the right, but shall not be obligated, to repair, or obtain the repair of, the defect and Contractor shall pay to City on demand all costs and expense of such repair. Notwithstanding anything herein to the contrary, in the event that any defect in workmanship or material covered by the foregoing warranty results in a condition that constitutes an immediate hazard to public health or safety, or any property interest, or any person, City shall have the right to immediately repair, or cause to be repaired, such defect, and Contractor shall pay to City on demand all costs and expense of such repair. The foregoing statement relating to hazards to health, safety or property shall be deemed to include both temporary and permanent repairs that may be required as determined in the sole discretion and judgment of City.

In addition to the above, the Contractor shall make a written assignment of all manufacturer's and other product warranties to the City, prior to completion and final acceptance of the Work by City.

The Contractor's Performance Bond shall secure the performance of the Contractor's obligations under this Section 16, and the Contractor and its Surety shall be jointly and severally liable for these obligations.

17. LIQUIDATED DAMAGES IF WORK NOT COMPLETED ON TIME

A. The actual fact of the occurrence of damages and the actual amount of the damages that City would suffer if the entire Work under each Task Order, and/or any specified portion thereof, were not completed within the time(s) specified herein are dependent upon many circumstances and conditions that could prevail in various combinations, and for this reason, it is impracticable and extremely difficult to fix the actual damages. Damages that City would suffer in the event of such delay include: loss of the use of the project; expenses of prolonged assignment to the project of an architectural and/or engineering staff; prolonged costs of administration, inspection, and supervision; increased operational expenses and/or impaired

operation of other facilities dependent upon completion of the project; and the loss and inconvenience suffered by the public within the City of Sacramento by reason of the delay in the completion of the project or portion thereof. Accordingly, the parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the amount(s) set forth herein as liquidated damages reflect the parties' best efforts at the time of entering into the Contract to estimate the damages that may be incurred by City and the public due to the Contractor's delay in completion of the Work and/or any specified portion thereof, and shall be presumed to be the amount of damages sustained by the failure of Contractor to complete the entire Work and/or any specified portion thereof within the time(s) specified herein.

- B. Contractor shall pay liquidated damages to City for failure to complete the entire Work by the Completion Date (as extended in accordance with the Contract Documents, if applicable) in the amount of \$1,000.00 for each calendar day after the Completion Date (as extended in accordance with the Contract Documents, if applicable), continuing to the time at which the entire Work under a Task Order is completed. Such amount is the actual cash value agreed upon by the City and Contractor as the loss to City and the public resulting from Contractor's default.

The parties agree, and by execution of this Agreement, Contractor acknowledges that it understands and agrees, that the foregoing provisions provide for the imposition of liquidated damages from the Completion Date (as extended in accordance with the Contract Documents, if applicable) until the date of completion of the entire Work as determined by the Engineer in accordance with Section 8-4 of the Standard Specifications, whether or not the Work or any portion thereof is claimed or determined to be substantially complete prior to such date of completion.

THE FOLLOWING ADDITIONAL LIQUIDATED DAMAGES PROVISION(S) APPLY IF CHECKED:

In addition to the potential damages described above, should Contractor's failure to complete a Task Order within the time(s) specified for that Task Order subject the City to penalties or fines from regulatory agencies or a juridical authority, Contractor shall pay additional liquidated damages to City in an amount equal to such penalties or fines. Such amount is the actual cash value agreed upon by the City and Contractor as the additional loss to City and the public resulting from Contractor's default.

CONTRACTOR'S ACKNOWLEDGMENT: 

18. INDEMNITY AND HOLD HARMLESS

- A. Contractor shall defend, hold harmless and indemnify the City, its officers, employees, and agents, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, whether arising on or off the site of the Work, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this

provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform the Work by the Contractor, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder, or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense to the extent arising from (i) the sole negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, or (ii) the active negligence of City.

- B. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 18, nor shall the limits of such insurance limit the liability of Contractor hereunder. The provisions of this Section 18 shall survive any expiration or termination of the Contract.

19. CONTRACTOR SHALL ASSUME RISKS

Until the completion and final acceptance by City of all Work under this Agreement, the Work shall be under Contractor's responsible care and charge, and Contractor, at no cost to City, shall rebuild, repair, restore and make good all injuries, damages, re-erectations, and repairs occasioned or rendered necessary by accidental causes of any nature, to all or any portions of the Work.

20. GENERAL LIABILITY OF CONTRACTOR

Except as otherwise herein expressly stipulated, Contractor shall perform all the Work and furnish all the labor, materials, tools, equipment, apparatus, facilities, transportation, power and light, and appliances, necessary or proper for performing and completing the Work herein required in the manner and within the time herein specified. The mention of any specific duty or liability of Contractor shall not be construed as a limitation or restriction of any general liability or duty of Contractor, and any reference to any specific duty or liability shall be construed to be solely for the purpose of explanation.

21. INSURANCE

During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in this Section 21.

Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Work performed by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

It is understood and agreed by the Contractor that its liability to the City shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of Contractor and its subcontractors, products and completed operations of Contractor and its subcontractors, and premises owned, leased, or used by Contractor and its subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the Contractor.
- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and its subcontractors; products and completed operations of Contractor and its subcontractors; and premises owned, leased, or used by Contractor and its subcontractors.
- (2) Automobile Liability Insurance: The City, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by City, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) City will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 21 must be declared to and approved by the City in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the City representative. Copies of policies shall be delivered to the City on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Agreement, Contractor shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o Ebix RCS
Reference #: (This number will be provided by EBIX after Contract approval.)
PO Box 257
Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:
CertsOnly-Portland@ebix.com

- (3) The City may withdraw its offer of contract or cancel this Agreement if the

certificates of insurance and endorsements required have not been provided prior to City's execution of this Agreement. The City may withhold payments to Contractor or cancel this Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

22. FAILURE TO MAINTAIN BONDS OR INSURANCE

If, at any time during the performance of this Agreement, Contractor fails to maintain any item of the bonds and/or insurance required under this Agreement in full force and effect, Contractor shall immediately suspend all work under this Agreement and notify City in writing of such failure. After such notice is provided, or if City discovers such failure and notifies Contractor, the City thereafter may withhold all contract payments due or that become due until notice is received by City that such bonds and/or insurance have been restored in full force and effect and that the premiums therefor have been paid for a period satisfactory to the Division of Risk Management. Contractor shall not resume work until notified by City to do so, and the City shall have no responsibility or liability for any costs incurred by Contractor as a result of such suspension of Work.

In addition to the foregoing, any failure to maintain any item of the required bonds and/or insurance at any time during the performance of this Agreement will be sufficient cause for termination of this Agreement by City.

The Contractor shall be solely responsible for, and shall defend, indemnify and hold harmless the City, its officers, employees and agents against and from, any and all damages, claims, losses, actions, costs or other expenses of any kind incurred by any party as a direct or indirect result of any suspension of Work or termination of this Agreement under the provisions of this Section.

23. EXCUSABLE DELAYS

For the purpose of this Agreement, the term "Excusable Delay" shall mean, and is limited to, delay caused directly by: acts of God; acts of a public enemy; fires; inclement weather as determined by the Engineer; riots; insurrections; epidemics; quarantine restrictions; strikes; lockouts; sitdowns; acts of a governmental agency; priorities or privileges established for the manufacture, assemble, or allotment of materials necessary in the Work by order, decree or otherwise of the United States or by any department, bureau, commission, committee, agent, or administrator of any legally constituted public authority; changes in the Work ordered by City insofar as they necessarily require additional time in which to complete the Work; the prevention of Contractor from commencing or prosecuting the Work because of the acts of others, excepting Contractor's subcontractors or suppliers; or the prevention of Contractor from commencing or prosecuting the Work because of a Citywide failure of public utility service.

The term "Excusable Delay" shall specifically not include: (i) any delay that could have been avoided by the exercise of care, prudence, foresight and diligence on the part of Contractor; (ii) any delay in

the prosecution of any part of the Work that does not constitute a Controlling Operation, whether or not such delay is unavoidable; (iii) any reasonable delay resulting from time required by City for review of any Contractor submittals and for the making of surveys, measurements and inspection; and, (iv) any delay arising from an interruption in the prosecution of the Work on account of reasonable interference by other contractors employed by City that does not necessarily prevent the completion of the entire Work within the time specified. Excusable Delays, if any, shall operate only to extend the Completion Date (not in excess of the period of such delay as determined by City) and shall not under any circumstances increase the amount City is required to pay Contractor except as otherwise provided in this Agreement.

24. CONTRACTOR TO SERVE NOTICE OF DELAYS

Whenever Contractor foresees any delay in the prosecution of the Work, and in any event as soon as possible (not to exceed a period of ten (10) calendar days) after the initial occurrence of any delay that Contractor regards as or may later claim to be an Excusable Delay, the Contractor shall notify the Engineer in writing of such delay and its cause, in order that the Engineer: (i) may take immediate steps to prevent if possible the occurrence or continuance of the delay; or (ii) if this cannot be done, may determine whether the delay is to be considered excusable, how long it continues, and to what extent the prosecution and completion of the Work are delayed thereby. Said written notice shall constitute an application for an extension of time only if the notice requests such an extension and sets forth the Contractor's estimate of the additional time required together with a full description of the cause of the delay relied upon.

After the completion of any part or whole of the Work, the Engineer, in estimating the amount due Contractor, will assume that any and all delays that may have occurred in its prosecution and completion were not Excusable Delays, except for such delays for which the Contractor has provided timely written notice as required herein, and that the Engineer has found to be excusable. Contractor shall not be entitled to claim Excusable Delay for any delay for which the Contractor failed to provide such timely written notice.

25. EXTENSION OF TIME

If the Contractor complies with Section 24, above, and the Engineer finds a delay claimed by the Contractor to be an Excusable Delay, the Contractor shall be allowed an extension of time to complete the Work that is proportional to the period of Excusable Delay determined by the Engineer, subject to the approval by City of a change order granting such time extension. During a duly authorized extension for an Excusable Delay, City shall not charge liquidated damages against the Contractor for such delay.

If the City extends the time to complete the Work as provided herein, such extension shall in no way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such extension of time relieve or release the sureties of the Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such extension of time. The granting of any extension of time as provided herein shall in no way operate as a waiver on the part of City of its rights under this Agreement, excepting only extension of the Completion Date for such period of Excusable Delay as may be determined by the Engineer and approved by a duly authorized change order.

26. NO PAYMENT FOR DELAYS

No damages or compensation of any kind shall be paid to Contractor or any subcontractor because of delays in the progress of the Work whether or not such delays qualify for extension of time under this Agreement; except that this provision shall not preclude the recovery of damages for a delay caused by the City that is unreasonable under the circumstances and that is not within the contemplation of the parties, provided that the Contractor timely submits all such written notice(s) and fully complies with such other procedures as may be specified in the Contract Documents or any Laws or Regulations for Contractor to claim damages for such delay.

27. CHANGES IN THE WORK

Changes in the Work authorized or directed in accordance with the Contract Documents or Task Order and extensions of time of completion made necessary by reason thereof shall not in any way release any warranty or guarantee given by Contractor pursuant to the provisions of the Contract Documents, nor shall such changes in the Work relieve or release the Sureties on Bonds provided pursuant to the Contract Documents. By executing such Bonds, the Sureties shall be deemed to have expressly agreed to any such change in Work and to any extension of time made by reason thereof.

28. TERMINATION AFTER COMPLETION DATE

In addition to any other rights City may have, if any services or work required under the Contract (including but not limited to punch list items) are not completed as of the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), City may terminate this Agreement at any time after the Completion Date (as adjusted by any extensions of time for Excusable Delays granted pursuant to the Contract Documents), by providing a written notice to Contractor specifying the date of termination. Such notice also may specify conditions or requirements that Contractor must meet to avoid termination of this Agreement on such date. If Contractor fails to fulfill all such conditions and requirements by such termination date, or, if no such conditions or requirements are specified, Contractor shall cease rendering services and performing work on such termination date, and shall not be entitled to receive any compensation for services rendered or work performed after such termination date. In the event of such termination, Contractor shall remain liable to City for liquidated damages incurred for any period of time prior to the termination date.

In addition to any other charges, withholdings or deductions authorized under this Agreement or any Laws or Regulations, if City terminates this Agreement pursuant to this section, City may withhold and deduct from any payment and/or retention funds otherwise due Contractor any sum necessary to pay the City's cost of completing or correcting, or contracting for the completion or correction of, any services or work under this Agreement that are not completed to the satisfaction of the City or that otherwise are deficient or require correction as of such termination date, including but not limited to incomplete punch list items. Such costs shall include all of the City's direct and indirect costs incurred to complete or correct such services or work, including the City's administrative and overhead costs. If the amount of payment(s) and/or retention funds otherwise due the Contractor are insufficient to pay such costs, City shall have the right to recover the balance of such costs from the Contractor and/or its Surety(ies).

29. TERMINATION FOR CONVENIENCE

Upon written notice to the Contractor, the City may at any time, without cause and without prejudice to any other right or remedy of the City, elect to terminate this Agreement for the convenience of City. In such case, the Contractor shall be paid (without duplication of any items, and after deduction and/or withholding of any amounts authorized to be deducted or withheld by the Contract Documents or any Laws or Regulations):

- A. For Work executed in accordance with the Contract Documents prior to the effective date of termination and determined to be acceptable by the Engineer, including fair and reasonable sums for overhead and profit on such Work;
- B. For reasonable claims, costs, losses, and damages incurred in settlement of terminated contracts with subcontractors, suppliers, and others; and
- C. For reasonable expenses directly attributable to termination.

Contractor shall not be paid for any loss of anticipated profits or revenue for any Work not performed prior to termination, nor for any economic loss arising out of or resulting from such termination, except for the payments listed in this section. Contractor's warranty under Section 16 of this Agreement shall apply, and Contractor shall remain responsible for all obligations related to such warranty, with respect to all portions of the Work performed prior to the effective date of the termination for convenience pursuant to this section. The City shall be entitled to have any or all remaining Work performed by other contractors or by any other means at any time after the effective date of a termination for convenience pursuant to this section.

30. TERMINATION FOR BREACH OF CONTRACT

If Contractor abandons the Work under this Agreement, or if this Agreement or any portion of this Agreement is sublet or assigned without the consent of the City, or if the Engineer determines in the Engineer's sole discretion that the conditions of this Agreement in respect to the rate of progress of the Work are not being fulfilled or any part thereof is unnecessarily delayed, or if Contractor violates or breaches, or fails to execute in good faith, any of the terms or conditions of this Agreement, or if Contractor refuses or fails to supply enough properly skilled labor or materials or refuses or fails to make prompt payment to subcontractors for material or labor, or if Contractor disregards any Laws or Regulations or proper instruction or orders of the Engineer, then, notwithstanding any provision to the contrary herein, the City may give Contractor and its Sureties written notification to immediately correct the situation or this Agreement shall be terminated.

In the event that such notice is given, and, in the event such situation is not corrected, or arrangements for correction satisfactory to the City are not made, within ten (10) calendar days from the date of such notice or within such other period of time as may be specified by the City in the notice, this Agreement shall upon the expiration of said period cease and terminate. In the event of any such termination, City may take over the Work and prosecute the Work to completion, or

otherwise, and the Contractor and its Sureties shall be liable to City for any cost occasioned City thereby, as hereinafter set forth.

In the event City completes the Work, or causes the Work to be completed, no payment of any kind shall be made to Contractor until the Work is complete. The cost of completing the Work, including but not limited to, extra costs of project administration and management incurred by City, both direct or indirect, shall be deducted from any sum then due, or that becomes due, to Contractor from City. If sums due to Contractor from City are less than the cost of completing the Work, Contractor and its Sureties shall pay City a sum equal to this difference on demand. In the event City completes the Work, and there is a sum remaining due to Contractor after City deducts the costs of completing the Work, then City shall pay such sum to Contractor. The Contractor and Contractor's Sureties shall be jointly and severally liable for all obligations imposed on Contractor hereunder.

No act by City before the Work is finally accepted, including, but not limited to, exercise of other rights under this Agreement, actions at law or in equity, extensions of time, payments, assessments of liquidated damages, occupation or acceptance of any part of the Work, waiver of any prior breach of this Agreement or failure to take action pursuant to this Section upon the happening of any prior default or breach of Contractor, shall be construed to be a waiver or estoppel of the City's right to act pursuant to this Section upon any subsequent event, occurrence or failure by Contractor to fulfill the terms and conditions of this Agreement. The rights of City to terminate this Agreement pursuant to this Section and pursuant to Sections 28 and 29 are cumulative and are in addition to all other rights of City pursuant to this Agreement and at law or in equity.

31. CONTRACTOR BANKRUPT

If Contractor should commence any bankruptcy proceeding, or if Contractor is adjudged a bankrupt, or if Contractor makes any assignment for the benefit of creditors, or if a receiver is appointed on account of Contractor's insolvency, then the City may, without prejudice to any other right or remedy, terminate this Contract and complete the work by giving notice as provided in Section 30 above.

32. SURETIES' OBLIGATIONS UPON TERMINATION

If the City terminates this Agreement pursuant to Section 30 or Section 31 above:

- A. The Surety under Contractor's performance bond shall be fully responsible for all of the Contractor's remaining obligations of performance under this Agreement as if the Surety were a party to this Agreement, including without limitation Contractor's obligations, as provided in the Contract Documents, to complete and provide a one-year warranty of the entire Work, pay liquidated damages and indemnify, defend and hold harmless City, up to the full amount of the performance bond.
- B. The Surety under Contractor's payment bond shall be fully responsible for the performance of all of the Contractor's remaining payment obligations for work, services, equipment or materials performed or provided in connection with the Work or any portion thereof, up to the full amount of the payment bond.

33. ACCOUNTING RECORDS OF CONTRACTOR

During performance of this Agreement and for a period of three (3) years after completing the entire Work, Contractor shall maintain all accounting and financial records related to this Agreement and performance of the Work in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the City upon reasonable written notice.

34. USE TAX REQUIREMENTS

During the performance of this Agreement, Contractor, for itself, its assignees and successors in interest, agrees as follows:

- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Work and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
- B. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set for opposite their names.

CONTRACTOR

Under penalty of perjury, I certify that the taxpayer identification number and all other information provided here are correct.

DATE June 17, 2016

BY 

Print Name Ralph McGahay

Title General Manager

BY _____

Print Name _____

Title _____

Federal ID# 27-0642404

State ID# 30057368

City of Sacramento Business Operation Tax Certificate No. (City will not award contract until Certificate Number is obtained)

Type of Business Entity (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

CITY OF SACRAMENTO
a municipal corporation

DATE _____

BY _____

For: John F. Shirey, City Manager

Original Approved As To Form:

Attest:



City Attorney

City Clerk

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COST TABLE 1 - LFG EXTRACTION WELLS

See Section 1.1 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger w/ 24-inch augers and all required support equipment.	Each	1	\$150.00	\$150.00
2	Drilling - 24" diameter borings.	Foot	100	\$67.00	\$6,700.00
3	Construction of 4" diameter LFG extraction casing including well screens, blank casing, centralizers, sand, bentonite, grout, concrete pad and protective casing.	Foot	100	\$32.00	\$3,200.00
4	Install LFG Wellhead	Each	1	\$750.00	\$750.00
5	Containment of soil cuttings per well (drums, bin rental, etc.)	Each	1	\$9,000.00	\$9,000.00
6	Development of Well	Each	1	\$4,500.00	\$4,500.00
					\$0.00
					\$0.00
					\$0.00
7	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$670.00	
8	Stand-by time per hour (development rig and crew), if needed	Each	1	\$250.00	
	TOTAL COSTS - TABLE 4				\$24,300.00

COST TABLE 2 - GROUNDWATER MONITORING WELLS

See Section 1.2 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger w/ 12-inch augers and all required support equipment.	Each	1	\$1,200.00	\$1,200.00
2	Drilling - 12" diameter borings.	Foot	100	\$68.00	\$6,800.00
3	Construction of 4" diameter monitoring wells including well screens, blank casing, centralizers, sand, bentonite, grout, concrete pad and protective casing.	Foot	100	\$22.00	\$2,200.00
4	Well development of monitoring well (assume 5 hours per well)	Each	1	\$1,300.00	\$1,300.00
5	Containment of soil cuttings per well (drums, bin rental, etc.)	Each	1	\$4,500.00	\$4,500.00
6	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
					\$0.00
7	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$380.00	
8	Stand-by time per hour (development rig and crew), if needed	Each	1	\$250.00	
	TOTAL COSTS - TABLE 1				\$16,000.00

COST TABLE 3 - PIEZOMETERS

See Section 1.3 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Hollow-stem auger/Air Rotary rig and all required support equipment.	Each	1	\$4,800.00	\$4,800.00
2	Drilling - 15" diameter borings.	Foot	100	\$126.00	\$12,600.00
3	Placement of 8" diameter steel conductor casing through wastes, including cementing in place.	Foot	100	\$36.00	\$3,600.00
4	Drilling of nominal 8 " diameter borings through conductor casing and +/-20 feet into groundwater.	Foot	100	\$278.00	\$27,800.00
5	Construction of five 2" diameter piezometers installed through the steel casing, including sand pack, bentonite slurry, and surface completions.	Foot	100	\$85.00	\$8,500.00
6	Well development of five piezometers (assume 4 hours per well)	Each	1	\$2,200.00	\$2,200.00
7	Containment of waste and soil cuttings per well (drums, bin rental, etc.)	Each	1	\$2,400.00	\$2,400.00
8	Other Costs (Describe)				\$0.00
					\$0.00
					\$0.00
					\$0.00
9	Stand-by time per hour (drilling rig and crew), if needed	Hour	1	\$480.00	
10	Stand-by time per hour (development/pump setting rig and crew), if needed	Hour	1	\$250.00	
	TOTAL COSTS - TABLE 2				\$61,900.00

COST TABLE 4 - DPT BORINGS

See Section 1.4 in the RFQ

NOTE: This is a Prevailing Wage project.

	ITEM	UNITS	NUMBER	COST	TOTAL
1	Mobilization/Demobilization - Direct push rig and all required support equipment.	Each	1	\$400.00	\$400.00
2	Drilling - DPT borings with continuous coring and water sampling.	Foot	100	\$18.00	\$1,800.00
3	Cementing of DPT borehole	Foot	100	\$1.50	\$150.00
4	Containment of soil cuttings (drums, bin rental, etc.), including transportation to onsite designated storage area.	Total	1	\$180.00	\$180.00
5	Other Costs (Describe)				\$
					\$
					\$
					\$0.00
6	Stand-by time per hour (drilling rig and crew), if needed	Each	1	\$220.00	
7	Additional mobilization if more DPT borings are needed but cannot be completed in same mobilization as #1 above.	Each	1	\$400.00	
	TOTAL COSTS - TABLE 3				\$2,530.00



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
06/20/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Southwest, Inc. Houston TX Office 5555 San Felipe Suite 1500 Houston TX 77056 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS:		
INSURED Cascade Drilling, L.P. PO Box 1184 17270 Woodinville-Redmond Road Building "A", #777 Woodinville WA 98072 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Zurich American Ins Co		16535
	INSURER B: Aspen Specialty Insurance Company		10717
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

Holder Identifier :

COVERAGES

CERTIFICATE NUMBER: 570062598226

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ERAFXLW15	11/01/2015	11/01/2016	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$25,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COM/OP AGG	\$2,000,000
							Professional Liability	\$1,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			BAP 0137342-01	11/01/2015	11/01/2016	COMBINED SINGLE LIMIT (Ea accident)	\$2,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION			EXAFXLY15	11/01/2015	11/01/2016	EACH OCCURRENCE	\$10,000,000
							AGGREGATE	\$10,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC0137344 WC0137345	11/01/2015 11/01/2015	11/01/2016 11/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT	\$1,000,000
							E.L. DISEASE-EA EMPLOYEE	\$1,000,000
							E.L. DISEASE-POLICY LIMIT	\$1,000,000
B	Env Contr Poll			ERAFXLW15	11/01/2015	11/01/2016	Aggregate	\$1,000,000

Certificate No : 570062598226

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: On Call Drilling and Well Installation Services for City Landfills. The City of Sacramento, its officials, employees and volunteers are included as Additional Insured in accordance with the policy provisions of the Automobile Liability, General Liability and Excess Liability policies. General Liability and Automobile Liability policies evidenced herein are Primary to other insurance available to an Additional Insured, but only in accordance with the policy's provisions. A waiver of Subrogation is granted in favor of Certificate Holder in accordance with the policy provisions of the Automobile Liability, General Liability and Workers' Compensation policies.

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento c/o Ebix RCS PO Box 257 Portland MI 48875-0257 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Southwest, Inc.</i>
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POLICY NUMBER: ERAFXLW15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MANUSCRIPT ENDORSEMENT
ENDORSEMENT NUMBER: 020
EFFECTIVE DATE: 11/18/2015**

This endorsement modifies insurance provided under the following:

POLICY NUMBER: ERAFXLW15

ADDITIONAL INSURED – STATE OR POLITICAL SUBDIVISIONS – PERMITS

This endorsement modifies insurance provided under the following coverages only:

§I COVERAGES, Section 1 COMMERCIAL GENERAL LIABILITY AND EMPLOYEE BENEFITS ADMINISTRATION, Coverage 1A - Bodily Injury and Property Damage and Coverage 1B - Personal and Advertising Injury

Schedule

State Or Political Subdivision:

Blanket as required by written contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

§ III – WHO IS AN INSURED is amended to include as an insured any state or political subdivision shown in the Schedule, subject to the following provisions:

1. This insurance applies only with respect to liability arising from operations performed by you or on your behalf for which the state or political subdivision has issued a permit.
2. This insurance does not apply to:
 - a. **Bodily injury, property damage or personal and advertising injury** arising out of operations performed for the state or municipality; or
 - b. **Bodily injury or property damage** included within the **products-completed operations hazard**.

POLICY NUMBER: ERAFXLW15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED –
PRIMARY AND NON-CONTRIBUTORY**

It is hereby agreed that the Policy is amended as follows solely as respects Coverage Section 1. , Coverage 1A (Bodily Injury and Property Damage) and Coverage 1B (Personal and Advertising Injury):

SCHEDULE

Name of Person or Organization:

Where required by written contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The persons or organizations shown in the Schedule above are insureds under § III. WHO IS AN INSURED, paragraph F. of this Policy subject to all the terms and conditions of that paragraph.

With respect to the persons or organizations shown in the Schedule above, this Policy shall be primary and non-contributory with any other valid and collectible insurance available to such persons or organizations.

All other terms and conditions of this Policy remain unchanged.

POLICY NUMBER: ERAFXLW15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED –
OWNERS, LESSEES OR CONTRACTORS**

It is hereby agreed that the Policy is amended as follows solely as respects Coverage Section 1. , Coverage 1A (Bodily Injury and Property Damage) and Coverage 1B (Personal and Advertising Injury):

SCHEDULE

Name of Person or Organization:

Blanket as required by written contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

Section III., **WHO IS AN INSURED** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of **your work** for that insured by or for you.

All other terms and conditions of this Policy remain unchanged.

POLICY NUMBER: ERAFXLW15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)
Blanket as required by written contract.

It is hereby agreed that "any person or organization" referred to in the waiver of rights of recovery contained in the last sentence of Section VI. **CONDITIONS**, paragraph O., **Subrogation**, includes the person or organization listed in the above Schedule.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:
Endorsement Effective Date:

SCHEDULE

Name Of Person(s) Or Organization(s):
Where required by written contract executed prior to loss.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

ALL PERSONS AND/OR ORGANIZATIONS THAT ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT WITH THE INSURED, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

ALL PERSONS AND/OR ORGANIZATIONS THAT ARE REQUIRED BY WRITTEN CONTRACT OR AGREEMENT WITH THE INSURED, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY FOR WORK PERFORMED BY YOU FOR THAT PERSON AND/OR ORGANIZATION

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No. WC 0137344

Endorsement No.
Premium \$

Insurance Company

Countersigned by _____