

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

This Contract and Agreement, is made and effective this ____ day of _____2017, by and between the City of Canyon Lake, a California general law City ("CITY"), located at 31516 Railroad Canyon Road, Canyon Lake, CA 92587, and Masterline Plumbing, Inc. ("CONTRACTOR").

WITNESSETH:

WHEREAS, CITY desires to hire a company to provide Fire Station shower and water heater closet repair pursuant to CITY specifications and duly developed, prepared and implemented a bid for such work; and

WHEREAS, CONTRACTOR submitted the lowest responsive and responsible bid for such services indicating that it has the requisite personnel and experience, and is capable of providing the deliverables for as the CITY as set out in the PROPOSAL FOR FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR; and

NOW, THEREFORE, it is mutually understood and agreed by CITY and CONTRACTOR as follows:

ARTICLE 1.
COMPELETE AGREEMENT

A. The complete Agreement shall consist of the following component parts: This Agreement, and Amendments, if any; the Notice Inviting Bids; the Bid Terms and Conditions and Instructions to Bidders; the signed Bid Proposal, the Subcontractor List if a portion of the work is to be performed by a subcontractor, the non-collusion Affidavit, the accepted CONTRACTOR's bid, dated May 22, 2017, including all attached documents; the required bond(s) fully executed, if any; each of the component parts of the bid documents; and the addenda, if any. Agreement between CITY and CONTRACTOR and the said other documents are as fully a part of this Agreement as if hereto attached or herein repeated.

This instrument and the other documents mentioned above in this Article 1 constitute the complete and exclusive statement of the term(s) and condition(s) of the Agreement between CITY and CONTRACTOR and it supersedes all prior representations, understandings, and communications. The invalidity in whole or in part of any term or condition of this Agreement shall not affect the validity of other term(s) or condition(s).

B. In the event of any discrepancy between or among the portions of the Agreement Documents, the following shall take precedence: (a) Change Orders/ Amendments/ Modifications; (b) this Agreement; (c) the accepted CONTRACTOR's proposal; (d) Addenda, if any; and (e) the solicitation, if any.

C. CITY's failure to insist in any one or more instances upon CONTRACTOR's performance of any term(s) or condition(s) of this Agreement shall not be construed as a waiver or relinquishment of CITY's right to such performance or to future performance of such term(s) or condition(s) and CONTRACTOR's obligation in respect thereto shall continue in full force and effect. Changes to any portion of this Agreement shall not be binding upon CITY except when specifically authorized by signed written amendment to this Agreement issued in accordance with the provisions of this Agreement.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

ARTICLE 2.
SCOPE OF WORK

A. CONTRACTOR shall provide all labor, materials, equipment, and services required to perform the Statement of Work attached hereto as the PROPOSAL FOR FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR and incorporated herein by this reference.

Furthermore, CONTRACTOR shall perform the Statement of Work in accordance with the Bid Sheet attached hereto as PROPOSAL FOR FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR and incorporated herein by this reference.

B. All services and equipment shall be provided at the times and places designated by the CITY.

ARTICLE 3.
TERM

This contract shall commence on June 2, 2017, and end or before July 1, 2017. All work shall commence immediately upon receiving a written Notice to Proceed from the CITY.

ARTICLE 4.
MAXIMUM OBLIGATION

Notwithstanding any provisions of this Agreement to the contrary, CITY and CONTRACTOR mutually agree that CITY's maximum cumulative payment obligation hereunder (including, but not limited to obligation for CONTRACTOR's costs and profit), shall be EIGHT THOUSAND SIX HUNDRED NINETY DOLLARS AND ZERO CENTS (\$8,690.00) for the Scope of Work which shall include all amounts payable to CONTRACTOR for its labor, subcontracts, leases, materials, equipment, the deliverables, and costs arising from CONTRACTOR's performance of this Agreement. CONTRACTOR exceeds the maximum cumulative amount at its own risk and expense.

ARTICLE 5.
PAYMENT

A. For CONTRACTOR's full and complete performance of its obligations under this Agreement, and subject to the maximum cumulative payment obligation provisions set forth in Article 6 below, CITY shall pay CONTRACTOR for work satisfactorily completed in accordance with Exhibit B, Payment Schedule.

B. **Monthly Payment** CITY shall make payments based on invoices received for services satisfactorily performed.

This Agreement is subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to CONTRACTOR of improper payment requests, and provides for the payment of interest on progress payment requests that are not timely made in accordance with that Article. This agreement hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

ARTICLE 6.
PREVAILING WAGES

Wage rates for this Project shall be in accordance with the "General Wage Determination Made By the Director of Industrial Relations Pursuant To California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1", for Riverside County. Wage rates shall conform to those posted at the CITY offices and the Project site. Statutory provisions for penalties for failure to pay prevailing wages or to comply with State wage and hour laws will be enforced.

The following Labor Code sections are hereby referenced and made a part of this Agreement:

1. Section 1773.8 Travel and Subsistence Pay
2. Section 1774 Prevailing Wage Requirement
3. Section 1775 Penalty for Failure to Comply with Prevailing Wage Rates
4. Section 1776 Payroll Records
5. Section 1777.4 Apprenticeship Requirements
6. Section 1777.5 Apprenticeship Requirements
7. Sections 1810 and 1811 Working Hour Restrictions
8. Section 1813 Penalty for Failure to Pay Overtime
9. Section 1815 Overtime Rate Requirement

ARTICLE 7.
CONTRACTOR'S LICENSE

At the time of commencing work and throughout the Project duration, CONTRACTOR shall be in possession of a valid California State Contractor's License with the following classifications: B.

Furthermore, CONTRACTOR shall ensure that any subcontractor working on the Project possesses at the time of commencing work and throughout the Project duration, a Contractor's License, issued by the State of California, which is current and in good standing.

If CONTRACTOR is a corporation, the undersigned hereby represents and warrants that the corporation is duly incorporated and in good standing in the State of California, and that Jared Arnold whose title is Owner, is authorized to act for and bind the corporation.

ARTICLE 8.
REGISTRATION REQUIREMENTS

Pursuant to Section 1771.1(a) of the Labor Code, CONTRACTOR must be registered with the Department of Industrial Relations (DIR) of the State of California in order to be eligible to work on public works projects. CONTRACTOR must ensure registration with the DIR that is active and in good standing. The CONTRACTOR must submit certified payroll prior to any payment for work performed.

No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No contractor or subcontractor may be awarded a contract for public work on a public

CITY OF CANYON LAKE

PUBLIC WORKS AGREEMENT NO. 2017-02

works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

ARTICLE 9.
NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, or postage prepaid and addressed as follows:

To CITY: Public Works Department
 City of Canyon Lake
 31516 Railroad Canyon Road
 Canyon Lake, CA 92587

To CONTRACTOR: Masterline Plumbing, Inc
 8732 Helms Avenue
 Rancho Cucamonga, CA 91730
 (909)463-6697

ARTICLE 10.
INDEPENDENT CONTRACTOR

CONTRACTOR's relationship to CITY in the performance of this Agreement is that of an independent contractor. CONTRACTOR's personnel performing services under this Agreement shall at all times be under CONTRACTOR's exclusive direction and control and shall be considered exclusively to be employees of CONTRACTOR and not employees of CITY. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.

ARTICLE 11.
INSURANCE

The bidder shall not commence work under this contract until it has secured all insurance and bonds required nor shall it allow any subcontractor to commence work on this contract until all similar insurance and bonds required of the subcontractor have been obtained. All insurance issued in compliance with this section shall be issued in the form, and be an insurer or insurers, satisfactory to and first approved by the CITY in writing.

Without limiting Contractor's indemnification of CITY, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to CITY.

General liability insurance. Contractor shall maintain commercial general liability insurance

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability, and a \$2,000,000 completed operations aggregate.

Automobile liability insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

NOT REQUIRED: Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than \$4,000,000 that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies; and
- Policies shall "follow form" to the underlying primary policies.
- Insured under primary policies shall also be insureds under the umbrella or excess policies.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000) for Contractor's employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California, Section 3700 for all of the subcontractor's employees,

Contractor shall submit to CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of CITY and their officers, officials, agents, employees and authorized volunteers.

Other provisions or requirements

Proof of insurance. Contractor shall provide certificates of insurance to CITY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by CITY prior to commencement of performance. Current certification of insurance shall be kept on file with CITY at all times during the term of this contract. CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Contractor shall procure and maintain for the duration of the contract

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Contractor, their agents, representatives, employees or subcontractors. Contractor must maintain general liability and umbrella or excess liability insurance for as long as there is a statutory exposure to completed operations claims. CITY and its officers, officials, employees, and agents shall continue as additional insureds under such policies.

CITY's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by Contractor or CITY will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, CITY may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the CITY's risk manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against CITY, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against CITY and shall require similar written express waivers and insurance clauses from each of its sub-consultants.

Enforcement of contract provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform Contractor of non-compliance with any requirement imposes no additional obligations on the CITY nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to CITY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that CITY and their officers, officials, employees, agents and authorized volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

CITY's right to revise requirements. The CITY reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor a ninety (90)-day advance written notice of such change. If such change results in substantial additional cost to the Contractor, the CITY and Contractor may renegotiate Contractor's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by CITY. CITY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by CITY.

Timely notice of claims. Contractor shall give CITY prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

Contractor agrees to provide immediate notice to CITY of any claim or loss against contractor that includes CITY as a defendant. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY. In the event of any loss that is not insured due to the failure of to comply with these requirements, Contractor agrees to be personally responsible for any and all losses, claims, suits, damages, defense obligations and liability of any kind attributed to the CITY, or the CITY's employees as a result of such failure.

Contractor agrees not to attempt to avoid its defense and indemnity obligations to CITY and its employees, agents, officials and servants by using as a defense contractor's statutory immunity under workers' compensation and similar statutes.

Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which contractor conducts operations of any type on behalf of CITY. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of contractor.

Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between contractor and CITY or between CITY and any party associated with CITY or its employees.

For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards, performance of this Agreement.

Contractor agrees that upon request, all agreements with subcontractors or others with whom contractor contracts with on behalf of CITY will be submitted to CITY for review. Contractor acknowledges that such contracts or Agreements may require modification if the insurance

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

requirements do not reflect the requirements herein. Failure of CITY to request copies of such agreement will not impose any liability on CITY, or its employees.

If contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insured

ARTICLE 12
CHANGES

By written notice or order, CITY may, from time to time, order work suspension or make changes in the general scope of this Agreement, including, but not limited to, the services furnished to CITY by CONTRACTOR as described in the Scope of Work. If any such work suspension or change causes an increase or decrease in the price of this Agreement or in the time required for its performance, CONTRACTOR shall promptly notify CITY thereof and assert its claim for adjustment within ten (10) days after the change or work suspension is ordered, and an equitable adjustment shall be negotiated. However, nothing in this clause shall excuse CONTRACTOR from proceeding immediately with the agreement as changed.

ARTICLE 13.
CONTRACTOR CLAIMS OF \$375,000 OR LESS

Claims by the CONTRACTOR relating to the Project for (a) a time extension; (b) money or damages arising from work done by, or on behalf of, the CONTRACTOR on the Project for which payment is not expressly provided for or to which the CONTRACTOR is not otherwise entitled; or (c) an amount that is disputed by the CITY, with a value of Three Hundred Seventy Five Thousand Dollars and 00/100 (\$375,000.00) or less, are subject to the claims procedures set forth in California Public Contract Code Sections 20104, et seq., except as otherwise provided in this Contract and California Public Contract Code Sections 20104 through 20104.6, incorporated by reference. Notwithstanding, statutory Govt. Code Claims procedures apply to any dispute that remains unresolved or to amounts in excess of this limit.

Effective January 1, 2017, the provisions of Public Contract Code Section 9204 govern claims by the CONTRACTOR to the CITY. The provisions of Section 9204 are attached as **Exhibit C** and included by reference.

ARTICLE 14.
TERMINATION

A. Termination Prior to Expiration of Term CITY reserves the right to terminate this Agreement at any time, with or without cause, upon ninety (90) days' written notice to CONTRACTOR. Upon receipt of any notice of termination, pursuant to this Section, CONTRACTOR shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. CONTRACTOR shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer.

B. Termination for Default of CONTRACTOR If termination is due to the failure of CONTRACTOR to fulfill its obligations under this Agreement, CITY may take over work and prosecute the same to completion by contract or otherwise, and CONTRACTOR shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

for the purpose of setoff or partial payment of the amounts owed to the CITY.

ARTICLE 15.
INDEMNITY, DEFENSE AND HOLD HARMLESS AGREEMENT

In addition to any other indemnification provisions of the Contract Documents, and specifically indemnifications for hazardous materials, Contractor shall indemnify, defend with legal counsel approved by CITY, and hold harmless CITY and its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable legal counsel fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with Contractor's negligence, recklessness or willful misconduct in the performance of work hereunder or its failure to comply with any of its obligations contained in this agreement, except such loss or damage which is caused by the sole or active negligence or willful misconduct of the CITY. Should conflict of interest principles preclude a single legal counsel from representing both CITY and Contractor, or should CITY otherwise find Contractor's legal counsel unacceptable, then Contractor shall reimburse the CITY its costs of defense, including without limitation reasonable legal counsels fees, expert fees and all other costs and fees of litigation. The Contractor shall promptly pay any final judgment rendered against the CITY (and its officers, officials, employees and volunteers) with respect to claims determined by a trier of fact to have been the result of the Contractor's negligent, reckless or wrongful performance. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

Contractor obligations under this section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost, expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnitee. However, without affecting the rights of CITY under any provision of this agreement, Contractor shall not be required to indemnify and hold harmless CITY for liability attributable to the active negligence of CITY, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where CITY is shown to have been actively negligent and where CITY active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of CITY.

The obligations of Contractor under this or any other provision of this agreement will not be limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to CITY, its employees and officials.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub-tier contractor or any other person or entity involved by, for, with or on behalf of contractor in the performance or subject matter of this agreement. In the event contractor fails to obtain such indemnity obligations from others as required here, contractor agrees to be fully responsible according to the terms of this section.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

Failure of CITY to monitor compliance with these requirements imposes no additional obligations on CITY and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend CITY as set forth herein is binding on the successors, assigns, or heirs of Contractor and shall survive the termination of this agreement or this section.

ARTICLE 16.
ASSIGNMENT AND SUBCONTRACTING

Neither this Agreement nor any interest herein nor claim hereunder may be assigned by CONTRACTOR either voluntarily or by operation of law, nor may all or any part of this Agreement be subcontracted by CONTRACTOR, without the prior written consent of CITY. Consent by CITY shall not be deemed to relieve CONTRACTOR of its obligations to comply fully with all terms and conditions of this Agreement.

ARTICLE 17.
RECORD AUDIT

Under California Government Code, Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars (\$10,000), any records or documents of both the CITY and the CONTRACTOR shall be subject to examination, audit, and/or copying at any time during regular business hours by the Auditor General for a period of three (3) years after final payment, upon oral or written request of the CITY.

ARTICLE 18.
CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT

In the event CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if the CONTRACTOR for a period of three (3) calendar days after receipt of written demand from CITY or its designated representative to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute its work and all parts thereof in a diligent and workmanlike manner, or after commencing to do so within said three (3) calendar days, fails to continue to do so; then the CITY may exclude the CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and may complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the CITY to another contractor or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the CITY, shall be a charge against the CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the CITY, or the CONTRACTOR shall pay the CITY the amount of said charge, or the portion thereof unsatisfied. The sureties, provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the CITY.

ARTICLE 19.
SUBSURFACE HAZARDOUS MATERIALS

A. In the event trenches or other excavations extend deeper than four (4) feet below the

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

surface, the CONTRACTOR shall promptly, and before the following conditions are disturbed, notify the CITY in writing of any:

1. Material that the CONTRACTOR believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with the provisions of existing law.
2. Subsurface or latent physical conditions at the site differing from those indicated.
3. Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in the Work or the character provided for in the CONTRACT.

B. Upon receipt of said notification the CITY will investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the CONTRACTOR's cost of or the time required for performance of any part of the work, the CITY will issue a change order under the procedures described in the General Conditions.

C. In the event that a dispute arises between the CITY and the CONTRACTOR whether the conditions materially differ, or involve hazardous waste or cause a decrease or increase in the CONTRACTOR's cost of or time required for performance of any part of the work, the CONTRACTOR shall not be excused from any scheduled completion date provided for by the Agreement, but shall proceed with all work to be performed under the Agreement. The CONTRACTOR shall retain any and all rights provided either by Agreement or by law that pertain to the resolution of disputes and protests between the contracting parties.

ARTICLE 20.
PROVISIONS REQUIRED BY LAW

Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.

Clayton and Cartwright Acts: The CONTRACTOR and any and all subcontractors offer and agree to assign to the DISTRICT all rights, title and interest in and to all causes of action they may have under Section 4 of the Clayton Act (15 USC Section 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Profession Code) arising from purchases of goods, services or materials pursuant to the public works contract or any subcontract.

Trenching: For any jobs involving trenching more than four (4) feet deep must, the CONTRACTOR shall notify the DISTRICT of hazardous materials, subsurface or latent physical site conditions different from those indicated in information about the site made available to bidders, as well as unusual site conditions and the DISTRICT shall investigate those as required by Public Contracts Code Section 7104).

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

ARTICLE 21.
LEGAL PROVISIONS

- A. **Governing Law.** The laws of the State of California shall govern this agreement.
- B. **Compliance with applicable laws.** CONTRACTOR and any subcontractor shall comply with all applicable local, state, and federal laws and regulations applicable to the performance of the work hereunder.
- C. **Attorneys' Fees.** If either party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- D. **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in Riverside County.
- E. **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the respective dates set forth opposite their signatures.

CITY OF CANYON LAKE

CONTRACTOR

Date: _____

Date: _____

By. City Manager

By. Contractor

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02
EXHIBIT A
REQUEST FOR PROPOSALS

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

CITY OF CANYON LAKE

PROPOSAL
FOR
FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR
AT
28730 VACATION DR., CANYON LAKE, CA 92587

PROJECT NO. 2017 - 02

BIDS MUST BE RECEIVED BY: 10:00 a.m. on May 20, 2017

PLACE OF BID RECEIPT: Public Works Department
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

NOTICE IS HEREBY GIVEN that the City of Canyon Lake, County of Riverside, California, will receive up to, but not later than the time set forth above, sealed contract bids for the award of a contract for the above project. All bids shall be made on the form attached to this Notice and shall be delivered prior to the above-stated time at the place of bid receipt identified above.

Bids must be placed in a sealed package with the project name and identification number typed or clearly printed on the lower left corner of the package.

PROJECT IDENTIFICATION NAME: Fire Station #60 Shower & Water Heater Closet Repair

DESCRIPTION OF WORK: Provide necessary labor, equipment, and materials to reconstruct shower enclosure, doors and framing, install fiberglass shower liner, remove and replace water heater closet door.

SPECIFICATIONS: Shower & Water Heater Closet Repairs

- 1) General – All work shall conform to the applicable sections of the Standard Specifications for Public Works Construction, latest edition, the California Plumbing Code and per the attached assessments. The work shall consist of the following:
 - Remove and replace shower doors and framing in bathroom adjacent to bunk room and shower enclosure in bathroom adjacent to engine room.
 - Install neutral color fiberglass shower liner over existing tile work in all showers.
 - Remove and replace existing water heater closet door with vented door with combustion air inlets.
- 2) Material – The materials for the work shall conform to the following:
 - Replacement shower doors and enclosure shall conform to Chapter 4 of the governing California Plumbing Code. Shower doors and enclosure panels shall be translucent glass with aluminum framing. All material shall be corrosion resistant and all joints shall be watertight.
 - Fiberglass shower liner shall conform to Section 1210 of the governing California Building Code.
 - Water heater closet door ventilation shall conform to Section 506.4, “Outdoor Combustion Air”, of the governing California Plumbing Code.
- 3) Construction – The work shall also include site clearing prior to begin work, site cleanup upon completion, dispose off-site materials and reinstate disturbed areas to their original or improved conditions.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

- 4) Measurement and Payment – The cost of all work described above and also including all costs of materials, labor, tools, equipment, and incidentals, and for doing all the work involved, complete in place, shall be included in the contract unit or lump sum price bid shown in the bid items, and no additional compensation will be allowed.

Contractor is responsible for all permit acquisition and fee payment. Permit fees shall be deemed to be included in all bid line items and therefore no additional compensation shall be allowed.

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02**

BID SHEET

Item	Description	Qty.	Unit	Unit Price	Extended Amount
1	Remove and replace shower doors and enclosure located in bunk and engine room bathrooms, respectively.	1	LS	\$ _____	\$ _____
2	Remove and replace water heater closet door with vented door with combustion air inlets.	1	EA	\$ _____	\$ _____
3	Install fiberglass shower liner in bunk and engine room bathroom showers.	3	EA	\$ _____	\$ _____

TOTAL FOR BID ITEMS 1 TO 3: \$ _____
(Figures)

TOTAL FOR BID ITEMS 1 TO 3: \$ _____
(Words)

Dated: _____

FIRM NAME _____

SIGNATURE _____

Title _____

ADDRESS:

TELEPHONE _____

CONTRACTOR'S LICENSE CLASS AND NO. _____

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

INSTRUCTION TO BIDDERS:

BIDDER'S DECLARATION: In accordance with this "Informal Bid Proposal," the above designated BIDDER hereby proposes to furnish all materials, equipment, tools, labor and incidentals required for the above stated project as set forth in this documents and to perform all work in the manner and time prescribed.

BIDDER declares that this proposal is based upon careful examination of the work site, and this document. If this proposal is accepted, BIDDER agrees to enter into a contract with the City of Canyon Lake at the prices set forth in the following Informal Proposal Bid Sheet.

BIDDER understands that a bid is required for the entire work that the estimated quantities set forth in the Informal Proposal Bid Sheet are solely for the purpose of comparing bids, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. It is agreed that the prices bid include all appurtenant expenses, taxes, royalties and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts.

BIDDER agrees and acknowledges that he/she is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the BIDDER will comply with such provisions of that code before commencing the performance of this Contract if awarded it.

BIDDER certifies to be properly licensed by the State of California as a contractor to perform work of this specialty. Contractor shall possess a current Class 'B' License and sufficient bond to cover the work being bid. The undersigned agrees to furnish the City satisfactory proof of ability to perform the work, as well as not less than three (3) references of similar jobs completed recently, include contact information and service provided, before bid is qualified for award of contract.

PREVAILING WAGE RATES: Pursuant to the Labor Code of the State of California, the Director of Industrial Relations has determined the general prevailing rate of wages and employer payments for health and welfare, vacation, pension and similar purposes applicable to the work to be done. The Contractor to whom the contract is awarded, and the subcontractors under him must pay not less than these rates for this area to all workers employed in the execution of this contract. The contractor and any subcontractor must be registered with the Department of Industrial Relations and submit proof of certified payroll prior to any payment for work performed.

INSURANCE: Worker's Compensation insurance and Public Liability insurance are required for this project. Proof of insurance is required prior to award of contract.

BONDS: No bonds, including bid bond, performance bond, labor and material bond, are required for this project.

CITY BUSINESS LICENSE: A City Business License is required to perform work within the city. Contractor must be able to obtain a business license in a timely manner to perform work within the city.

CONTRACT PERIOD: Project shall be completed within 30 calendar days of awarding of contract.

REJECTION OF BIDS: The City reserves the right to reject any or all bids or any parts thereof and waive any irregularities or informalities in any bid or in the bidding and to make awards in all or parts in the best interest of the City.

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02**

LIST OF SUBCONTRACTORS

The undersigned is required to fill in the following blanks in accordance with the provisions of Section 4104 of the Public Contract Code of the State of California and Section(s) 2-3 of the Standard Specifications.

Name Under Which Sub-Contractor is Licensed	License Number	Month of DBE/WBE Certification (If Applicable)	Location of the Place of Business	Specific Description of Subcontract	Sub-Contractor Total Contract Amount
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Subcontractors listed in accordance with the provision of Section(s) 2-3 must be properly licensed under the laws of the State of California for the type of work that they are to perform. Do not list **alternate** subcontractors for the same work. The undersigned agrees to furnish proof that all contractors and subcontractors performing any work related to this improvement are complying with all the requirements of Social Security Legislation, both State and Federal, and also agrees to conform with the provisions of Sections 4100 to 4113, inclusive, of the Public Contract Code, as amended, concerning subcontractors and subcontracts.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02
REFERENCES

The following are the names, address and phone numbers for three references for which BIDDER has performed similar work within the past two years: *If additional space is required, please duplicate this sheet (do not write on the back).*

1.

2.

3.

4.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02
EXHIBIT B
PROPOSAL

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02



CLARIFICATION NO. 1
CONTRACT DOCUMENTS
For
FIRE STATION #60 SHOWER & CLOSET REPAIR
PUBLIC WORKS AGREEMENT NO. 2017-02

The Bid Specifications for the above project are hereby clarified as follows: (Please take special notice of all **bold** typed and **underlined** information.)

1. Clarification to Public Works Agreement No. 2017-02, Umbrella or excess liability insurance, Page 5 of 18:

Umbrella or Excess Liability coverage is required only when the cost of the project will exceed the General Liability Insurance requirements.

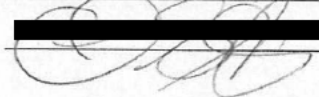
BY: _____ DATE: May 17, 2017
 Danny Chow, P.E.
 City Engineer

Please acknowledge receipt of this CLARIFICATION NO. 1 by including this executed page with your bid submittal proposal form. The undersigned acknowledges receipt of this CLARIFICATION NO. 1.

Name of Firm
Bidding:

Representatives
Signature:

Masterline Plumbing



CLARIFICATION NO. 1
Public Works Agreement No. 2017-02 Fire Station #60 Shower & Closet Repair

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

CITY OF CANYON LAKE - FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR

CITY OF CANYON LAKE
PROPOSAL
FOR
FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR
AT
28730 VACATION DR., CANYON LAKE, CA 92587

PROJECT NO. 2017 - 02

BIDS MUST BE RECEIVED BY: 10:00 a.m. on May 20, 2017

PLACE OF BID RECEIPT: Public Works Department
City of Canyon Lake
31516 Railroad Canyon Road
Canyon Lake, CA 92587

NOTICE IS HEREBY GIVEN that the City of Canyon Lake, County of Riverside, California, will receive up to, but not later than the time set forth above, sealed contract bids for the award of a contract for the above project. All bids shall be made on the form attached to this Notice and shall be delivered prior to the above-stated time at the place of bid receipt identified above.

Bids must be placed in a sealed package with the project name and identification number typed or clearly printed on the lower left corner of the package.

PROJECT IDENTIFICATION NAME: Fire Station #60 Shower & Water Heater Closet Repair

DESCRIPTION OF WORK: Provide necessary labor, equipment, and materials to reconstruct shower enclosure, doors and framing, install fiberglass shower liner, remove and replace water heater closet door.

SPECIFICATIONS: Shower & Water Heater Closet Repairs

- 1) General – All work shall conform to the applicable sections of the Standard Specifications for Public Works Construction, latest edition, the California Plumbing Code and per the attached assessments. The work shall consist of the following:
 - Remove and replace shower doors and framing in bathroom adjacent to bunk room and shower enclosure in bathroom adjacent to engine room.
 - Install neutral color fiberglass shower liner over existing tile work in all showers.
 - Remove and replace existing water heater closet door with vented door with combustion air inlets.
- 2) Material – The materials for the work shall conform to the following:
 - Replacement shower doors and enclosure shall conform to Chapter 4 of the governing California Plumbing Code. Shower doors and enclosure panels shall be translucent glass with aluminum framing. All material shall be corrosion resistant and all joints shall be watertight.
 - Fiberglass shower liner shall conform to Section 1210 of the governing California Building Code.
 - Water heater closet door ventilation shall conform to Section 506.4, "Outdoor Combustion Air", of the governing California Plumbing Code.
- 3) Construction – The work shall also include site clearing prior to begin work, site cleanup upon completion, dispose off-site materials and reinstate disturbed areas to their original or improved conditions.

Page PR-1 of PR-6

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02**

CITY OF CANYON LAKE - FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR

BID SHEET

Item	Description	Qty.	Unit	Unit Price	Extended Amount
1	Remove and replace shower doors and enclosure located in bunk and engine room bathrooms, respectively.	1	LS	\$ 1250	\$ 1250
2	Remove and replace water heater closet door with vented door with combustion air inlets.	1	EA	\$ 1050	\$ 1050
3	Install fiberglass shower liner in bunk and engine room bathroom showers.	3	EA	\$ 2130	\$ 6390

TOTAL FOR BID ITEMS 1 TO 3: \$ 8690.00
(Figures)

TOTAL FOR BID ITEMS 1 TO 3: \$ Eight thousand six hundred ninety dollars
(Words)

Dated: 5/21/17

FIRM NAME Masterline Plumbing

SIGNATURE 

Title Project Manager

ADDRESS:
8732 Helms Ave
Rancho Cucamonga, CA 91730

TELEPHONE 909-463-6697

CONTRACTOR'S LICENSE CLASS AND NO. 990945 B,C36

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02**

Masterline Plumbing, Inc. & Masterline Construction
 8732 Helms
 Rancho Cucamonga, CA 91730
 (909) 463-6697
 service@masterlineplumbing.com
 www.masterlineplumbing.com



ESTIMATE

ADDRESS

Canyon Lake City Hall
 31516 Railroad Canyon
 Canyon Lake, Ca

SHIPTO

Fire Station 60
 Vacation drive
 Canyon Lake, Ca 92587

ESTIMATE # 52686

DATE 05/19/2017

ACTIVITY	QTY	RATE	AMOUNT
opening Masterline Plumbing will provide the labor, transportation, supervision, tools, and material to perform the following scope of work for Public Works agreement No. 2017-02.	1	0.00	0.00
Services Remove and replace shower doors and framing in bathroom adjacent to bunk room. Remove existing shower tile and install mold resistant drywall as needed. Tape and mud drywall seams as needed to create a seamless wall. Install (2) new shower pans for new shower enclosures. Install neutral color fiberglass shower liner.	1	7,640.00	7,640.00
Services Water heater closet repair. Remove existing wood slab door and frame. Install new smooth steel exterior door with lock. Door to be primed and ready for paint.	1	1,050.00	1,050.00
Thank You	TOTAL		\$8,690.00

Accepted By

Accepted Date

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02**

CITY OF CANYON LAKE - FIRE STATION #60 SHOWER & WATER HEATER CLOSET REPAIR

REFERENCES

The following are the names, address and phone numbers for three references for which BIDDER has performed similar work within the past two years: *If additional space is required, please duplicate this sheet (do not write on the back).*

1. Circle K Corporation
255 E. Rincon St
Corona, CA 92879
Rex Abacan 951-270-5163

2. LDT
440 N. Mountain Ave #204
Upland Calif
Steve Pembecky 909-985-7172

3. DONALD WESTLAKE
SERGON CONSULTANTS
909-579-7452

4. DAN NOWATNEY
CITY OF WEST COVINA INSPECTOR
909-917-3089

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

EXHIBIT C

Public Contract Code Section 9204:

- (a) The Legislature finds and declares that it is in the best interests of the state and its citizens to ensure that all construction business performed on a public works project in the state that is complete and not in dispute is paid in full and in a timely manner.
- (b) Notwithstanding any other law, including, but not limited to, Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2, Chapter 10 (commencing with Section 19100) of Part 2, and Article 1.5 (commencing with Section 20104) of Chapter 1 of Part 3, this section shall apply to any claim by a contractor in connection with a public works project.
- (c) For purposes of this section:
 - (1) "Claim" means a separate demand by a contractor sent by registered mail or certified mail with return receipt requested, for one or more of the following:
 - (A) A time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.
 - (B) Payment by the public entity of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.
 - (C) Payment of an amount that is disputed by the public entity.
 - (2) "Contractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who has entered into a direct contract with a public entity for a public works project.
 - (3) (A) "Public entity" means, without limitation, except as provided in subparagraph (B), a state agency, department, office, division, bureau, board, or commission, the California State University, the University of California, a city, including a charter city, county, including a charter county, city and county, including a charter city and county, CITY, special CITY, public authority, political subdivision, public corporation, or nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.
 - (B) "Public entity" shall not include the following:
 - (i) The Department of Water Resources as to any project under the jurisdiction of that department.
 - (ii) The Department of Transportation as to any project under the jurisdiction of that department.
 - (iii) The Department of Parks and Recreation as to any project under the jurisdiction of

CITY OF CANYON LAKE

PUBLIC WORKS AGREEMENT NO. 2017-02

that department.

- (iv) The Department of Corrections and Rehabilitation with respect to any project under its jurisdiction pursuant to Chapter 11 (commencing with Section 7000) of Title 7 of Part 3 of the Penal Code.
 - (v) The Military Department as to any project under the jurisdiction of that department.
 - (vi) The Department of General Services as to all other projects.
 - (vii) The High-Speed Rail Authority.
- (4) "Public works project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.
- (5) "Subcontractor" means any type of contractor within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with a contractor or is a lower tier subcontractor.
- (d) (1) (A) Upon receipt of a claim pursuant to this section, the public entity to which the claim applies shall conduct a reasonable review of the claim and, within a period not to exceed 45 days, shall provide the claimant a written statement identifying what portion of the claim is disputed and what portion is undisputed. Upon receipt of a claim, a public entity and a contractor may, by mutual agreement, extend the time period provided in this subdivision.
- (B) The claimant shall furnish reasonable documentation to support the claim.
- (C) If the public entity needs approval from its governing body to provide the claimant a written statement identifying the disputed portion and the undisputed portion of the claim, and the governing body does not meet within the 45 days or within the mutually agreed to extension of time following receipt of a claim sent by registered mail or certified mail, return receipt requested, the public entity shall have up to three days following the next duly publicly noticed meeting of the governing body after the 45-day period, or extension, expires to provide the claimant a written statement identifying the disputed portion and the undisputed portion.
- (D) Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. If the public entity fails to issue a written statement, paragraph (3) shall apply.
- (2) (A) If the claimant disputes the public entity's written response, or if the public entity fails to respond to a claim issued pursuant to this section within the time prescribed, the claimant may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the public entity shall schedule a meet and confer conference within 30 days for settlement of the dispute.
- (B) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the public entity shall provide the claimant a written statement identifying the portion of

CITY OF CANYON LAKE

PUBLIC WORKS AGREEMENT NO. 2017-02

the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the public entity issues its written statement. Any disputed portion of the claim, as identified by the contractor in writing, shall be submitted to nonbinding mediation, with the public entity and the claimant sharing the associated costs equally. The public entity and claimant shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

- (C) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.
 - (D) Unless otherwise agreed to by the public entity and the contractor in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.
 - (E) This section does not preclude a public entity from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the parties' dispute.
- (3) Failure by the public entity to respond to a claim from a contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim that is denied by reason of the public entity's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of the claimant.
 - (4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.
 - (5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against a public entity because privity of contract does not exist, the contractor may present to the public entity a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that the contractor present a claim for work which was performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the public entity shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, the contractor shall notify the subcontractor in writing as to whether the contractor presented the claim to the public entity and, if the original contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

- (e) The text of this section or a summary of it shall be set forth in the plans or specifications for any public works project that may give rise to a claim under this section.
- (f) A waiver of the rights granted by this section is void and contrary to public policy, provided, however, that (1) upon receipt of a claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) a public entity may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the provisions of this section, so long as the contractual provisions do not conflict with or otherwise impair the timeframes and procedures set forth in this section.
- (g) This section applies to contracts entered into on or after January 1, 2017.
- (h) Nothing in this section shall impose liability upon a public entity that makes loans or grants available through a competitive application process, for the failure of an awardee to meet its contractual obligations.
- (i) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.

**CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02
EXHIBIT E**

NON-COLLUSION AFFIDAVIT

The undersigned bidder or agent, being duly sworn on oath, says that he/she has not, nor has any other member, representative, or agent of the firm, company, corporation or partnership represented by him, entered into any combination, collusion or agreement with any person relative to the price to be bid by anyone at such letting nor to prevent any person from bidding nor to include anyone to refrain from bidding, and that this bid is made without reference to any other bid and without any agreement, understanding or combination with any other person in reference to such bidding.

He/She further says that no person or persons, firms, or corporation has, have or will receive directly or indirectly, any rebate, fee gift, commission or thing of value on account of such sale.

OATH AND AFFIRMATION

I HEREBY AFFIRM UNDER THE PENALTIES FOR PERJURY THAT THE FACTS AND INFORMATION CONTAINED IN THE FOREGOING BID FOR PUBLIC WORKS ARE TRUE AND CORRECT.

Dated this ____ day of _____, _____

(Name of Organization)

(Title of Person Signing)

(Signature)

ACKNOWLEDGEMENT

STATE OF _____)

COUNTY OF _____)

) ss

CITY OF CANYON LAKE
PUBLIC WORKS AGREEMENT NO. 2017-02

Before me, a Notary Public, personally appeared the above named and swore that the statements contained in the foregoing document are true and correct.

Subscribed and sworn to me this _____ day of _____, _____.

Notary Public Signature

My Commission Expires: _____

The undersigned bidder or agent, being duly sworn on oath, says that he/she has not, nor has any other member, representative, or agent of the firm, company, corporation or partnership represented by him, entered into any combination, collusion or agreement with any person relative to the price to be bid by anyone at such letting nor to prevent any person from bidding nor to include anyone to refrain from bidding, and that this bid is made without reference to any other bid and without any agreement, understanding or combination with any other person in reference to such bidding.

He/She further says that no person or persons, firms, or corporation has, have or will receive directly or indirectly, any rebate, fee gift, commission or thing of value on account of such sale.