

AGREEMENT

THIS AGREEMENT, made and entered into this **14th** day of **September 2010**, by and between the COUNTY OF SAN MATEO, State of California, hereinafter called the "County" and **GRANITE ROCK COMPANY DBA PAVEX CONSTRUCTION DIVISION**, hereinafter called the "Contractor,"

W I T N E S S E T H:

THAT, for and in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

I. The Contractor will at his own proper cost and expense, do all the work and furnish all the labor, materials, equipment and utilities necessary to perform and complete in good workmanlike and substantial manner, and to the satisfaction of the Director of Public Works of the County of San Mateo, hereinafter called "Engineer," for the project

**RECONSTRUCTION OF CAMINO DE LOS ROBLES
AND FRANKS LANE
IN THE WEST MENLO PARK AREA
COUNTY ROADS NOS. 525 AND 530**

**TOTAL PROJECT APPROXIMATELY 0.36 MILE IN LENGTH
WITH APPURTENANT WORK THERETO
IN SAN MATEO COUNTY**

and all in strict accordance with the Plans, Specifications, Notice to Contractors, Special Provisions and Proposal on file in the office of the Director of Public Works, which said Plans, Specifications, Notice to Contractors, Special Provisions and Proposal are hereby specifically referred to and by such reference made a part thereto.

II. The Contractor will receive and accept and the County will pay the prices specified in the Contractor's Proposal, dated **August 24, 2010**, on file in the office of the Director of Public Works of the County of San Mateo and by reference made a part of this Agreement, as full compensation for furnishing all labor, materials and equipment for doing all the work contemplated and embraced in this Agreement; the Contractor assumes any and all loss or

damage arising out of the nature of the work aforesaid, or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its acceptance by the County, and for all risks of every description connected with the work, and also assumes any and all expenses incurred by or in consequence of the suspension or discontinuance of work and for well and faithfully completing the work, and the whole thereof, in the manner and to the Plans, Specifications and Special Provisions and requirements of the Engineer hereunder. The Contractor shall guarantee all materials and workmanship for a period of one (1) year from date of acceptance of the project by the Director of Public Works. Any defects due to faulty materials, method of installation or workmanship within that period shall be repaired by the Contractor promptly upon notice by the Engineer, at the expense of the Contractor.

It is distinctly understood that the estimate set forth in the Notice to Contractors is only an approximation of the amount of work to be done and the County does not expressly or by implication agree that the actual amount of work will correspond with the amount set forth therein, and payment shall be made to the Contractor as above set forth.

III. Time is of the essence in the Agreement, and the work to be performed hereunder shall be completed within

THIRTY-FIVE (35) WORKING DAYS

from the date of commencement of the work, which commencement shall be within **TEN (10) CALENDAR DAYS** after receiving Notice to Proceed from the Engineer.

This Contract is subject to termination as provided by Section 4410 and Section 4411 of the Government Code of the State of California, being portions of the Emergency Termination of Public Contracts Act of 1949. In the event that the Contract is terminated pursuant to said sections, compensation to the Contractor shall be determined on the basis of the reasonable value of the work done, including preparatory work. As an exception to the foregoing, in the case of any fully completed separate item or portion of the work for which there is a separate Contract price, the Contract price shall control.

IV. Payment to the Contractor shall be made progressively by the County for the work and materials furnished under this Agreement in accordance with the provisions of Section 9 of the Special Provisions portion of these Contract documents.

V. Relationship of Parties: Contractor agrees and understands that the work/services performed under this Agreement are performed as independent contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

VI. This Agreement, together with the Notice to Contractors, the Contractor's Proposal, the Plans, Specifications and Special Provisions and the Payment and Performance Bonds form the Contract, and said documents by this reference become as fully a part of the Contract as if hereto attached or herein set forth in full. The Standard Specifications of the County of San Mateo, State of California, which, except as specifically noted in the County Contract documents and specifications, are identical with the Standard Specifications of the State of California, Department of Transportation, dated May 2006, and are on file with the County Manager/Clerk of the Board of Supervisors, County of San Mateo, are incorporated herein by reference as a part of the Contract documents and shall apply to this project except where the terms of this Agreement or other Contract documents are inconsistent therewith, in which case the provisions of this Contract shall prevail.

VII. The performance of this Contract is secured by a " Payment" Surety Bond in the sum of one hundred percent (100%) of the Contract bid, and a "Performance" Surety Bond in the sum of one hundred percent (100%) of the Contract bid. "Payment" and "Performance" Surety Bonds have been approved as to form by County Counsel, of which samples of same are attached as Appendix C in the Special Provisions.

VIII. Insurance: The Contractor shall not commence work under this Contract until he has obtained all insurance required under this paragraph and such insurance has been approved by the County, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been so obtained. The Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Contract. Certificates of Insurance shall be filed with the County within **TEN (10) WORKING DAYS**

after award of the contract. These certificates shall specify or be endorsed to provide that **THIRTY (30) CALENDAR DAYS'** notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modifications of the policy.

A. Worker's Compensation and Employer's Liability Insurance

The Contractor shall have in effect during the entire life of this Contract, Worker's Compensation and Employer's Liability Insurance providing full statutory coverage; and in case any work is sublet, the Contractor shall require all subcontractors similarly to provide Worker's Compensation and Employer's Liability Insurance to full statutory limits. In signing this Contract, the Contractor makes the following certifications, required by Section 1861 of the Labor Code:

"I am 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 the code, and I will comply with such provisions before commencing the performance of the work of this Contract."

B. Liability Insurance

The Contractor shall take out and maintain during the life of this Contract such Bodily Injury Liability and Property Damage Liability Insurance as shall comply with Section 7-1.12, "Indemnification and Insurance," of the Standard Specifications and protect him/her and any subcontractor performing work covered by this Contract, from claims for damages for bodily injury, including accidental death, as well as from claims for property damage including third party property damage, to include coverage on property in the care, custody and control of the Contractor, and also including coverage for what are commonly known as the "X, C and U" exclusions (having to do with blasting, collapse and underground property damage), which may arise from the Contractor's operations under this Contract, whether such operations be by himself/herself or by any subcontractor or by anyone directly or indirectly employed by either of them and the amounts of such insurance shall be **ONE MILLION DOLLARS (\$1,000,000)** combined single bodily injury and property damage for each occurrence. The County, California Water Service Company, West Bay Sanitary District, and their officers, agents, servants and employees, shall be named as additional insureds on any

such policies of insurance, which shall also contain a provision stating that the insurance afforded thereby to the County, California Water Service Company, West Bay Sanitary District, and their officers, agents, servants and employees, shall be primary insurance to the full limits of liability of the policy, and that if the County, California Water Service Company, West Bay Sanitary District, or their officers and employees, have other insurance against a loss covered by such policy, such other insurance shall be excess insurance only.

Such statements, mentioned above, shall be included on a separate endorsement to be submitted to the County with the Certificate of Insurance.

- C. In case of the breach of any provision of this Article, the County, at its option, may take out and maintain at the expense of the Contractor, or subcontractor, such insurance as the County may deem proper and may deduct the cost of taking out and maintaining such insurance from any sums which may be due, or become due, to the Contractor, under this Contract.

D. Hold Harmless

The Contractor's attention is directed to Section 7-1.12, "Indemnification and Insurance," of the Standard Specifications.

The provisions contained in Section 7-1.12, "Indemnification and Insurance," of the Standard Specifications of the State of California, Department of Transportation, shall be applicable with the understanding that where said provisions specifically refer to the State of California, a department or division of the State or an official, officer or employee of the State, said provision shall be interpreted to refer to the County of San Mateo, California Water Service Company, West Bay Sanitary District, and all officers and employees thereof connected with the work, including but not limited to the Director of Public Works, their duly authorized representatives, other appropriate department, division, official, officer or employee of the County of San Mateo, California Water Service Company, and West Bay Sanitary District.

The provisions of Section 7-1.12A, "Indemnification," of the Standard Specifications are superceded by the following:

“To the full extent permitted by law, Contractor shall indemnify and save harmless the County, California Water Service Company, and West Bay

Sanitary District, their officers, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of:

- i. Injuries to or death of any person, including Contractor, its officers, employees and servants, or
- ii. Damage to any property of any kind whatsoever and to whomsoever belonging, or
- iii. Any sanctions, penalties or claims of damages resulting from Contractor's failure to comply with applicable laws, or
- iv. Any other loss or cost resulting from the contractor's negligent or reckless acts or omissions or willful misconduct in connection with the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damages for which the County has been found in a court of competent jurisdiction to be liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless, as set forth herein, shall include the duty to defend, as set forth In Section 2778 of the California Civil Code.

The obligations set forth in this Section shall continue beyond the term of this Agreement as to any act or omission which occurred during or under this Agreement.”

E. Compensation

All insurance required by the paragraphs of this section shall be obtained and maintained by the Contractor at Contractor's own expense and County shall not compensate Contractor for said insurance expenses other than as they are included in the Contract prices the County pays for the various items of work.

F. Nothing herein contained shall be construed as limiting in anyway the extent to which the Contractor may be held responsible for payments of damages resulting from his operation.

IX. Wage Scale: Reference is hereby made to the rate of prevailing wage scale established by the Department of Industrial Relations, a copy of which is on file in the office of the Director of Public Works, the provisions of which are hereby specified as the rate of prevailing wage to be paid to workmen on this project, and the provisions of Article 2, Chapter 1,

Part 7, Division 2 (commencing with Section 1770) of the Labor Code and particularly Section 1775 thereof, shall be complied with.

The Contractor hereby agrees to pay not less than the prevailing rates of wages which are effective on the date the Notice to Contractors is issued for each craft or type of workman or mechanic needed to execute the Contract as provided for by the County for the performance of public work.

X. The Contractor expressly covenants and agrees to comply with all the provisions of the Labor Code of the State of California limiting the hours of labor on public works to eight (8) hours during any one calendar day, and forty (40) hours in any one calendar week, requiring the payment of not less than the prevailing wage rates, and further agrees to the forfeitures provided for in said Labor Code and as set forth in Section 7, "Legal Relations and Responsibility," of the Standard Specifications and all amendments thereto, in the event of a violation of any of the provisions thereof during the course of execution of this Contract.

The Contractor expressly agrees to be responsible for compliance with all the provisions of Sections 1776 and 1777.5 of the California Labor Code.

XI. No person shall be excluded from participation in, denied benefits of, or be subject to discrimination under this Agreement on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status. Contractor shall ensure full compliance with Federal, state and local laws, directives and executive orders regarding non-discrimination for all employees and Subcontractors under this Agreement.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to:

- i) Termination of this Agreement;
- ii) Disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
- iii) Liquidated damages of \$2,500 per violation;
- iv) Imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i) Examine Contractor's employment records with respect to compliance with this paragraph;
- ii) Set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of its response to the Complaint when filed.

Compliance with Equal Benefits Ordinance. With respect to the provisions of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

XII. The Contract may be terminated by the County in the event the Contractor should be adjudged bankrupt, or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he or any of his subcontractors should violate any of the provisions of the Contract, or if he should persistently or repeatedly refuse, or should fail, except in cases where extension of time is provided, to furnish enough properly skilled workmen or proper materials, or if he should fail to make prompt payment to subcontractors, or for materials or labor, or persistently disregard laws, ordinances, or the instructions of the Engineer. In the event of any of the foregoing conditions, the Engineer is authorized and directed to serve written notice upon the Contractor and his Surety of its intention to terminate the Contract, such notice to contain the reasons for action and unless within **TWO (2) CALENDAR DAYS** after serving of such notice such conditions shall be

remedied and satisfactory arrangements for continuation be made, the Contract shall, upon expiration of **TWO (2) CALENDAR DAYS**, cease and terminate. In the event of any such termination, the Engineer may take over the work and prosecute the same to completion by Contract or by any other method he may deem advisable, and at the expense of the Contractor, and the Contractor and his Surety shall be liable to the County for any excess cost occasioned thereby, and in such event, the County may without liability to so doing take possession of and utilize such materials, appliances, plant and other property belonging to the Contractor as may be on the site of the work, and necessary therefore. In such cases, the Contractor shall not be entitled to receive any further payment until the work is completed.

XIII. The Contractor shall comply with all existing and future State and Federal and regulating laws and all ordinances and regulations of the County of San Mateo which in any manner affect those engaged or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same.

XIV. Neither party to the Contract shall assign the Contract or sublet it as a whole without written consent of the other, nor shall the Contractor assign any monies due or to become due to him hereunder without the previous written consent of the County. The Contractor shall neither mortgage nor convey title to equipment or material to be used in this work, without the written permission of the County.

XV. The County hereby promises and agrees with the said Contractor to employ and does hereby employ the said Contractor to provide the materials, unless otherwise specified, and to do the work according to the terms and conditions herein contained and referred to, for the prices aforesaid and hereby contracts to pay the same at the time, in the manner and upon the conditions above set forth, and the said parties for themselves, their heirs, executors, administrators, successors, and assigns, do hereby agree to the full performance of the covenants herein contained.

XVI. Retention of Records, Right to Monitor and Audit:

A. CONTRACTOR shall maintain all required records for three (3) years after the

COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

B. Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies and as required by the COUNTY.

C. CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

XVII. Merger Clause: This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

XVIII. Controlling Law: The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California.

XIX. Notices: Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to:

In the case of County, to:

James C. Porter, Director of Public Works
County of San Mateo
555 County Center, 5th Floor
Redwood City, CA 94063-1665

In the case of Contractor, to:

**Granite Rock Company DBA
Pavex Construction Division
120 Granite Rock Way
San Jose, CA 95136**

XX. Payment

A. Contract Amount

The amount payable to Contractor under the terms of this agreement is

**THREE HUNDRED THIRTY-SIX THOUSAND EIGHT HUNDRED
FIFTY-SEVEN AND NO/100 DOLLARS (\$336,857.00).**

B. Change Orders

The Board of Supervisors has authorized the Director of Public Works to execute change orders to modify the scope of work provided under this agreement, and to increase the County's maximum fiscal obligation to correspond to those changes. The Board of Supervisors has directed that in the event of change orders, the County's maximum fiscal obligation shall not exceed **THREE HUNDRED EIGHTY-SEVEN THOUSAND THREE HUNDRED EIGHTY-SIX AND NO/100 DOLLARS (\$387,386.00)**. Any payments in excess of the amount authorized by the Board of Supervisors will require additional approval of the Board of Supervisors.

IN WITNESS WHEREOF, the parties to these presents have hereunto set their hands
the year and date first above written.

“County”

COUNTY OF SAN MATEO,
State of California

BY: _____

**Richard S. Gordon, President
Board of Supervisors, County of San Mateo**

ATTEST:

David S. Boesch, County Manager/
Clerk of the Board of Supervisors

“Contractor”

**Granite Rock Company DBA
Pavex Construction Division**

BY: _____

(Authorized Signature and Seal of Bidder)