

**ATTACHMENT B – STANDARD CONTRACT**

## GENERAL CONSTRUCTION CONTRACT

This General Construction Contract ("Contract") is made at East Palo Alto, California, dated for reference this [redacted] day of [redacted], 20[redacted], by and between the City of East Palo Alto, a municipal corporation ("City") and [type in Contractor's name], a [type in the type of entity], hereinafter referred to as "Contractor", who agree as follows:

**1. Scope of Work.** Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the project in a good and workmanlike manner. The work consist(s) of furnishing all labor, materials, equipment, tools and services necessary to [type project description], as further set forth in the Scope of Work, Exhibit A. The Project also includes [type additional information if necessary], as called for, and in the manner designated in, and in strict conformity with, the Plans and Specifications prepared by [type who prepared Plans and Specifications] and adopted by the City. These Plans and Specifications are entitled [type exact name of Plans and Specifications].

Contractor understands and agrees that the work will be performed and completed as required in the Plans and Specifications under the sole direction and control of the Contractor, and subject to inspection and approval of the City, or its representatives. The City hereby designates as its representative for the purpose of this contract the Senior Civil Engineer for Construction or an employee of the City who will be designated in writing by the Director of Community and Economic Development.

**2. Contract Price.** The City agrees to pay and the Contractor agrees to accept, in full payment for the work above agreed to be done, the sum of exceed [insert dollar amount in words - e.g. Two Thousand Five Hundred Fifty Dollars and 13 Cents] ([ insert dollar amount in number- e.g., \$2,550.13 ]) subject to final determination of work performed and materials furnished at unit prices per Exhibit "A", and subject to additions and deductions in accordance, as provided in the Documents and in accordance with Contract Documents. The sum includes base bid and accepted Additive Alternate(s) No. [type number(s) of alternatives]. All other Additive Alternate(s) are rejected by City and are not included in this contract.

**3. The Contract Documents.** The complete Contract consists of the following documents: Notice Inviting Bids; Instructions to Bidders; Performance Bond; Payment Bond; Guaranty; Plans and Specifications for [type name of project], Project No. [type project number]. These documents are all incorporated herein by reference.

This Contract also contains the following Exhibits, attached and incorporated by reference:

- Exhibit A – [Type in Contractor's name] Construction Bid Proposal
- Exhibit B – Faithful Performance Bond
- Exhibit C – Labor and Materials Bond
- Exhibit D – Insurance Requirements

Exhibit E – City of East Palo Alto’s Policy Against Discrimination, Harassment, and Retaliation

The documents incorporated by reference and any exhibits, including any attachments, comprise the complete contract and are collectively referred to as the Contract Documents. Any and all obligations of the City and the Contractor are fully set forth and described therein. All of the above documents are intended to work together so that any work called for in one and not mentioned in the other or vice versa is to be executed the same as if mentioned in all documents.

**4. Permits; Compliance with Law.** Contractor shall, at its expense, obtain all necessary permits and licenses, easements, etc., for the construction of the project, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the work and to the preservation of the public health and safety.

**5. Inspection by City.** Contractor shall at all times maintain proper facilities and provide safe access for inspection by the City to all parts of the work, and to the shops wherein the work is in preparation. Where the Specifications require work to be specially tested or approved, it shall not be tested or covered up without timely notice to the City of its readiness for inspection and without the approval thereof or consent thereto by the latter. Should any such work be covered up without such notice, approval, or consent, it must, if required by City, be uncovered for examination at the Contractor's expense.

**6. Extra or Additional Work and Changes.** Should City at any time during the progress of the work request any alterations, deviations, additions or omissions from the Specifications or Plans or other Contract Documents it shall be at liberty to do so, and the same shall in no way affect or make void the contract, but will be added to or deducted from the amount of the contract price, as the case may be, by a fair and reasonable valuation, agreed to in writing between the parties hereto. No extra work shall be performed or change be made unless in pursuance of a written order from the Director of Community Development or authorized representative, stating that the extra work or change is authorized and no claim for an addition to the contract sum shall be valid unless so ordered.

**7. Time for Completion.** All work under this contract shall be completed before the expiration \_\_\_\_\_(XXX) calendar days from the date specified in the Notice to Proceed.

If Contractor shall be delayed in the work by the acts or neglect of City, or its employees or those under it by contract or otherwise, or by changes ordered in the work, or by strikes, lockouts by others, fire, unusual delay in transportation, unavoidable casualties or any causes beyond the Contractor's control, or by delay authorized by the City, or by any cause which the City shall decide to justify the delay, then the time of completion shall be extended for such reasonable time as the City may decide.

This provision does not exclude the recovery of damages for delay by either

party under other provisions.

**8. Inspection and Testing of Materials.** Contractor shall notify City a sufficient time in advance of the manufacture or production of materials, to be supplied under this contract, in order that the City may arrange for mill or factory inspection and testing of same, if City requests such notice from Contractor.

**9. Termination for Breach, etc.** If Contractor should file a bankruptcy petition and/or be judged bankrupt, or if Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if Contractor or any subcontractors should violate any of the provisions of the Contract, City may serve written notice upon Contractor and its surety of City's intention to terminate the Contract. The notice shall contain the reasons for such intention to terminate the Contract, and, unless within ten days after serving such notice, such violation shall cease and satisfactory arrangements for correction thereof be made, upon the expiration of the ten days, the Contract shall cease and terminate. In the event of any such termination, City shall immediately serve written notice thereof upon the surety and the Contractor, and the surety shall have the right to take over and perform the Contract; provided, however that, if the surety within fifteen days after the serving upon it of notice of termination does not give City written notice of its intention to take over and perform the Contract or does not commence performance thereof within thirty days from the date of the serving of such notice, City may take over the work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of Contractor, and Contractor and its surety shall be liable to City for any excess cost occasioned City thereby, and in such event City may without liability for so doing take possession of and utilize in completing the work, such materials, appliances, plant and other property belonging to Contractor as may be on the site of the work and necessary therefor.

**10. City's Right to Withhold Certain Amounts and Make Application Thereof.** In addition to the amount which City may retain under Paragraph 21 until the final completion and acceptance of all work covered by the Contract, City may withhold from payment to Contractor such amount or amounts as in its judgment may be necessary to pay just claims against Contractor or any subcontractors for labor and services rendered and materials furnished in and about the work. City may apply such withheld amount or amounts to the payment of such claims in its discretion. In so doing City shall be deemed the agent of Contractor and any payment so made by City shall be considered as a payment made under the Contract by City to the Contractor and City shall not be liable to Contractor for any such payment made in good faith. Such payment may be made without prior judicial determination of the claim or claims.

**11. Notice and Service Thereof.** All notices required pursuant to this Contract shall be communicated in writing, and shall be delivered in person, by commercial courier or by first class or priority mail delivered by the United States Postal Service. Transmission of notice by facsimile or by telephone may be deemed sufficient if the requirement for written notice is waived, in writing, by the receiving party. Notices delivered in person shall be deemed communicated as of actual receipt. Notices sent

by mail or courier service shall be deemed communicated as of three days after mailing or dispatch, unless that date is a date on which there is no mail or delivery service, in which case communication shall be deemed to occur the next mail service or delivery day. The burden of proof of compliance with this requirement for written notice shall be on the sending party. All notices sent pursuant to this Contract shall be addressed as follows:

City: City of East Palo Alto  
Community & Economic Development Department  
Attn: City Engineer  
1960 Tate Street  
East Palo Alto, CA 94303

Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**12. Assignment of Contract.** Neither the Contract, nor any part thereof, nor moneys due or to become due thereunder may be assigned by Contractor without the prior written approval of City.

**13. Compliance with Specifications of Materials.** Whenever in the Specifications, any material or process is indicated or specified by patent or proprietary name, or by name of manufacturer, such Specifications must be met by Contractor, unless City agrees in writing to some other material, process or article offered by Contractor which is equal in all respects to the one specified.

**14. Contract Security.** Contractor shall furnish a surety bond in an amount at least equal to 100 percent of the contract price as security for the faithful performance of this Contract. Contractor shall also furnish a separate surety bond in an amount at least equal to 100 percent of the contract price as security for the payment of all persons for furnishing materials, provisions, provender, or other supplies, or teams, used in, upon, for or about the performance of the work contracted to be done, or for performing any work or labor thereon of any kind, and for the payment of amounts due under the Unemployment Insurance Code with respect to such work or labor in connection with this Contract, and for the payment of a reasonable attorney's fee to be fixed by the court in case suit is brought upon the bond. Bonds shall be issued by an admitted surety insurer authorized to operate in the state of California.

**15. Insurance.** Contractor shall not commence work under this Contract until all insurance required as set forth in Exhibit \_\_\_\_\_ has been obtained and such insurance has been approved by the City, nor shall Contractor allow any subcontractor to commence work on a subcontract until all similar insurance required of the subcontractor has been so obtained and approved. Contractor shall furnish the City with satisfactory proof of the carriage of insurance required, 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 and particularly

Paragraph 16 hereof. Any policy of insurance required of the Contractor under this Contract shall also contain an endorsement providing that thirty (30) days' notice must be given in writing to the City of any pending change in the limits of liability or of any cancellation or modification of the policy. Insurance carrier shall be California-admitted.

**16. Hold Harmless.** Contractor agrees to defend, save, indemnify and hold harmless City and all its officers, employees, agents, independent contractors and and volunteers against any and all liability, claims, judgments, or demands, including demands arising from injuries or death of persons (Contractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Contractor, save and except claims or litigation arising through the active negligence or willful misconduct of City, or of City's officials, agents, employees, independent contractors or volunteers who are directly responsible to City. Contractor shall make good and reimburse City for any expenditures, including reasonable attorneys' fees, City may make by reason of such claim or litigation, and, if requested by City, Contractor shall defend any such suits at the sole cost and expense of Contractor.

**17. Hours of Work.** Eight hours of labor during any one calendar day and forty hours of labor during any one calendar week shall constitute the maximum hours of service upon all work done hereunder, and it is expressly stipulated that no laborer, worker, or mechanic employed at any time by the Contractor or by any subcontractor or subcontractors under this Contract, upon the work or upon any part of the work contemplated by this Contract, shall be required or permitted to work thereon more than eight hours during any one calendar day and forty hours during any one calendar week, except, as provided by Section 1815 of the Labor Code of the State of California, work performed by employees of contractors in excess of eight hours per day and forty hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. It is further expressly stipulated that for each and every violation of Sections 1811-1815, inclusive, of the Labor Code of the State of California, all the provisions whereof are deemed to be incorporated herein, Contractor shall forfeit, as a penalty to City, fifty dollars (\$50.00) for each laborer, worker, or mechanic employed in the execution of this Contract by Contractor, or by any subcontractor under this Contract, for each calendar day during which the laborer, worker, or mechanic is required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of the provisions of the Sections of the Labor Code.

Contractor, and each subcontractor, shall, in accordance with California Labor Code Section 1776 or as the same may be later amended, keep accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with work under this agreement. Each payroll record shall contain or be verified by a written declaration under penalty of perjury, in accordance with Labor Code Section 1776(a). Such payroll records shall be made available at all reasonable times at the

Contractor's principal office to the persons authorized to inspect such records pursuant to Labor Code Section 1776. A certified copy of all payroll records shall be made available for inspection or furnished upon request to a representative of the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the Department of Industrial Relations, as well as to the City's representative. In the event the Contractor or a Subcontractor fails to comply in a timely manner within ten days to a written notice requesting the records, such contractor or subcontractor shall forfeit twenty-five dollars (\$25.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated, in accordance with Labor Code Section 1776(g).

**18. Wage Rates.** Pursuant to the Labor Code of the State of California, or any applicable local law, City has ascertained the general prevailing rate per diem wages and rates for holidays, and overtime work in the City, for each craft, classification or type of laborer, worker, or mechanic needed to execute this Contract. City has adopted, by reference, the general prevailing rate of wages applicable to the work to be done under the Contract, as adopted and published by the Division of Labor Standards Enforcement and Labor Statistics and Research of the State of California, Department of Industrial Relations, to which reference is hereby made for a full and detailed description. A copy of the prevailing wage rates may be reviewed in the office of the Director of Community Development, City of East Palo Alto, 1960 Tate Street, East Palo Alto, California. Wage rates can also be obtained through the California Department of Industrial Relations website at:

<http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>

Neither the notice inviting bids nor this Contract shall constitute a representation of fact as to the prevailing wage rates upon which the Contractor or any subcontractor may base any claim against City.

It shall be mandatory upon Contractor and upon any subcontractor to pay not less than the specified rates to all laborers, workers, and mechanics employed in the execution of the Contract. It is further expressly stipulated that Contractor shall, as a penalty to City, forfeit fifty dollars (\$50.00) for each calendar day, or portion thereof, for each laborer, worker, or mechanic paid less than the stipulated prevailing rates for any work done under this Contract by Contractor or by any subcontractor; and Contractor agrees to comply with all provisions of Section 1775 of the Labor Code.

In case it becomes necessary for Contractor or any subcontractor to employ on the project under this Contract any person in a trade or occupation (except executives, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate is herein specified, Contractor shall immediately notify City who will promptly thereafter determine the prevailing rate for such additional trade or occupation and shall furnish Contractor with the minimum rate based thereon. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.

**19. Accident Prevention.** Precaution shall be exercised at all times for the

protection of persons (including employees) and property. The safety provisions of applicable laws, building and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Industrial Accident Commission of the State of California.

**20. Contractor's Guarantee.** City shall not, in any way or manner, be answerable or suffer loss, damage, expense or liability for any loss or damage that may happen to the building, work, or equipment or any part thereof, or in, on, or about the same during its construction and before acceptance. Contractor unqualifiedly guarantees the first-class quality of all workmanship and of all materials, apparatus, and equipment used or installed by Contractor or by any subcontractor or supplier in the project which is the subject of this Contract, unless a lesser quality is expressly authorized in the Plans and Specifications, in which event Contractor unqualifiedly guarantees such lesser quality; and that the work as performed by Contractor will conform with the Plans and Specifications or any written authorized deviations therefrom. In case of any defect in work, materials, apparatus or equipment, whether latent or patent, revealed to City within one year of the date of acceptance of completion of this Contract by City, Contractor will forthwith remedy such defect or defects without cost to City.

**21. Liquidated Damages.** Time shall be the essence of this Contract. If Contractor fails to complete, within the time fixed for such completion, the entire work mentioned and described and contracted to be done and performed, Contractor shall become liable to City for liquidated damages in the sum of \_\_\_\_\_ Hundred and No/100 Dollars (\$XXX.00) for each and every calendar day during which work shall remain uncompleted beyond such time fixed for completion or any lawful extension thereof. The amount specified as liquidated damages is presumed to be the amount of damage sustained by City since it would be impracticable or extremely difficult to fix the actual damage; and the amount of liquidated damages may be deducted by City from moneys due Contractor hereunder, or its assigns and successors at the time of completion, and Contractor, or its assigns and successors at the time of completion, and its sureties shall be liable to City for any excess.



**22. Additional Provisions.**

None.

IN WITNESS WHEREOF, two identical counterparts of this contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties.

CITY OF EAST PALO ALTO  
a municipal corporation

[INSERT CONTRACTOR'S NAME &  
TYPE OF COMPANY]

License No. \_\_\_\_\_

By \_\_\_\_\_  
Jaime M. Fontes  
City Manager

By \_\_\_\_\_  
[INSERT NAME]  
[INSERT TITLE]

By \_\_\_\_\_  
Walfred Solorzano  
City Clerk

By \_\_\_\_\_  
[INSERT NAME]  
[INSERT TITLE]

(SEAL)

APPROVED AS TO CONTENT

By \_\_\_\_\_  
Kamal Fallaha, PE  
Public Works Director

APPROVED AS TO FORM:

\_\_\_\_\_  
Rafael E. Alvarado Jr.  
City Attorney

(Notice: The signatures of the Contractor's officers on this contract must be acknowledged before a notary.)

ACKNOWLEDGMENT

State of California )  
County of )

On \_\_\_\_\_ before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(SEAL)