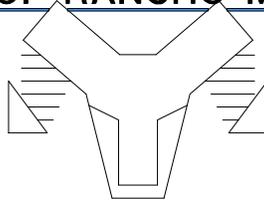


**CITY OF RANCHO MIRAGE**



**BID PROPOSAL AND CONTRACT DOCUMENTS**  
**FOR**  
**INSTALLATION OF STEEL SECURITY FENCING AT**  
**RANCHO MIRAGE COMMUNITY PARK**  
**PROJECT NO. CP 16-323**

**Prepared by:**

**CITY OF RANCHO MIRAGE**  
**69-825 Highway 111**  
**Rancho Mirage, California 92270**  
**(760) 324-4511**

**JUNE 16, 2016**

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## **INSTRUCTIONS TO BIDDERS**

### **NOTICE REGARDING REGISTRATION WITH DEPARTMENT OF INDUSTRIAL RELATIONS**

No contractor or subcontractor may be listed on a bid proposal for a public works project 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 works 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.

### **PROPOSAL FORMS**

Bids shall be submitted in writing on the Proposal forms provided by the CITY. All information requested therein must be clearly and legibly set forth in the manner and form indicated. The CITY will not consider any proposal not meeting these requirements.

### **PRE-BID CONFERENCE**

A pre-bid conference will not be held for this project.

### **PROPOSAL GUARANTEE (BID BOND)**

Proposals must be accompanied by a proposal guarantee consisting of a certified check or bid bond payable to the CITY in the amount of ten percent (10%) of the total amount bid. Any proposal not accompanied by such a guarantee will not be considered. If a bidder to whom a contract is awarded fails or refuses to execute the contract documents or furnish the required insurance policies and bonds as set forth in those documents, the proposal guarantee shall be forfeited to the CITY. The proposal guarantees of all bidders will be held until the successful bidder has properly executed all contract documents.

### **NONCOLLUSION AFFIDAVIT**

Bidder shall declare that the only persons or parties interested in the proposal as principals are those named therein; that no officer, agent, or employee of the CITY is personally interested, directly or indirectly, in the proposal; that the proposal is made without connection to any other individual, firm, or corporation making a bid for the same work; and that the proposal is in all respects fair and without collusion or fraud. The Noncollusion Affidavit shall be executed and submitted with the proposal.

### **PROPOSAL BID SHEET**

Bidders shall give a price for the total cost of the work, including labor, materials, supplies and equipment.

### **DELIVERY OF PROPOSAL**

Proposals may be mailed or delivered by messenger. However, it is the bidder's responsibility alone to ensure delivery of the proposal to the hands of the CITY'S designated official prior to the deadline stipulated in the "Notice Inviting Sealed Bids." Late proposals will not be considered. Proposals shall be enclosed in sealed envelope plainly marked on the outside, "**SEALED BID FOR INSTALLATION OF STEEL SECURITY FENCING AT RANCHO MIRAGE COMMUNITY PARK PROJECT, CP 16-323 - DO NOT OPEN WITH REGULAR MAIL.**"

### **WITHDRAWAL OF PROPOSALS**

A proposal may be withdrawn by a written request signed by the bidder. Such requests must be delivered to the CITY'S designated official prior to the deadline stipulated in the "Notice Inviting Sealed Bids." The withdrawal of a proposal will not prejudice the right of the bidder to submit a new proposal, providing there is time to do so. Proposals may not be withdrawn after said hour without forfeiture of the proposal guarantee.

### **IRREGULAR PROPOSALS**

Unauthorized conditions, limitations, or provisions attached to a proposal will render it irregular and may cause its rejection. The completed proposal forms shall be without interlineations, alterations, or erasures. Alternative proposals will not be considered unless specifically requested. No oral, telegraphic, or telephonic proposal, modification, or withdrawal will be considered.

**TAXES**

No mention shall be made in the proposal of Sales Tax, Use Tax, or any other tax, as all amounts bid will be deemed and held to include any such taxes that may be applicable.

**DISQUALIFICATION OF BIDDERS**

In the event that any bidder acting as a prime contractor has an interest in more than one proposal, all such proposals shall be rejected, and the bidder disqualified. This restriction does not apply to subcontractors or suppliers who may submit quotations to more than one bidder, and while doing so, may also submit a formal proposal as a prime contractor.

No contract will be executed unless the bidder is licensed in accordance with the provisions of the State Business and Professions Code.

**INTERPRETATION OF PLANS AND DOCUMENTS**

If any person contemplates submission of a bid for the proposed contract and is in doubt as to the true meaning of any part of the plans, specifications or other proposed contract documents, or finds discrepancies in, or omissions from, the drawings or specifications, he may submit to the Engineer of said CITY a written request for an interpretation or correction thereof. The person submitting the request shall be responsible for its prompt delivery. Any interpretation or correction of the proposed documents shall be made only by addendum duly issued and copy of such addendum shall be mailed or delivered to each person receiving a set of such documents. The Engineer will not be responsible for any other explanation or interpretations of the proposed documents.

**ADDENDA OR BULLETINS**

The effect of all addenda to the Contract Documents shall be considered in the contract, and said addenda shall be made a part of the contract documents and shall be returned with them. Before submitting his/her bid, each bidder shall inform himself as to whether or not any addenda have been issued, and failure to cover in this bid any such addenda issued may render his/her bid irregular and may result in its rejection by the City.

**LEGAL RESPONSIBILITIES**

All proposals must be submitted, filed, made, and executed in accordance with State and Federal laws relating to bids for contracts of this nature whether the same or expressly referred to herein or not.

Any bidder submitting a proposal shall by such action thereby agree to each and all of the terms, conditions, provisions, and requirements set forth, contemplated, and referred to in the Plans, Specifications, and Contract Documents, and to full compliance therewith.

**AWARD OF CONTRACT**

Following a review of the bids, the CITY shall determine whether to award the contract or to reject all bids. The award of contract, if made, shall be to the lowest responsible Bidder as determined solely by the CITY. At the time of contract award, the successful bidder shall hold a Class A contractor's license and/or a combination of Class C specialty contractors licenses, as required to perform the work, issued by the State of California. Additionally, the CITY reserves the right to reject any or all proposals, to accept any bid or portion thereof, to waive any irregularity, and to take the bids under advisement for the period of time stated in the "Notice Inviting Sealed Bids," all as may be required to provide for the best interests of the CITY. In no event will an award be made until all necessary investigations are made as to the responsibility and qualifications of the bidder to whom the award is contemplated.

No bidder may withdraw his/her proposal for a period of sixty (60) days after the deadline thereof. However, the CITY will return all proposal guarantees within ten (10) days after the award of the contract or rejection of the bids, as the case may be, to the respective bidders whose proposals they accompany.

**LABOR CODE**

Pursuant to the provisions of Section 1773 and 1773.2 of the Labor Code of the State of California, the CITY has obtained the general provisions rate of per diem wages and the general prevailing rate for holiday and overtime work in this locality for each craft, classification or type of workman needed to execute the contract from the director of the Department of Industrial Relations. These rates are on file with the Clerk of the CITY, and copies will be made available to any interested party on request. It shall be the responsibility of the prime CONTRACTOR to comply with all applicable sections of the Labor Code.

The CONTRACTOR shall comply with the provisions of Section 1774 of the Labor Code. Failure to comply with the subject section will subject the CONTRACTOR to penalty and forfeiture provisions of Section 1775 of the Labor Code.

Pursuant to the provisions of Section 1770 of the Labor Code, the general prevailing rate of wages has been ascertained (which rate includes employer payments for health and welfare, vacation, pension and similar purposes) applicable to the work to be done, for straight time, overtime, Saturday, Sunday, and holiday work. The holiday wage rate listed shall be applicable to all holidays recognized in the collective bargaining agreement of the particular craft, classification or type of workmen concerned.

The CITY will not recognize any claim for additional compensation because of the payment by the CONTRACTOR of any wage rate in excess of the prevailing wage rate set forth in the contract. The possibility of wage increases is one of the elements to be considered by the CONTRACTOR in determining his bid, and will not under any circumstances be considered as the basis of a claim against the CITY on the contract.

The CONTRACTOR shall comply with Section 1777.5 of the Labor Code, which allows the employment of properly registered apprentices on public works projects. The CONTRACTOR is responsible for the compliance with this section for all apprenticeable occupations and subcontractors.

The CONTRACTOR and subcontractors shall comply with all State of California laws against employment discrimination.

#### **WORKERS COMPENSATION CERTIFICATE**

Section 3700 of the State Labor Code requires that every employer shall secure the payment compensation by either being insured against liability to pay compensation with one or more insurers or by securing a Certificate of Consent to Self-Insure from the State of California Director of Industrial Relations.

In accordance with this section and with Section 1861 of the State of California Labor Code, the CONTRACTOR shall submit a Compensation Insurance Certificate prior to performing any work. Reimbursement for this requirement shall be considered as included in the various items of work.

#### **CLAYTON ACT AND CARTWRIGHT ACT**

Section 4551 of the State Government Code specifies that in executing a public works contract with the City to supply goods, services or materials, the CONTRACTOR or Subcontractor offers and agrees to assign to the CITY all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 commencing with Sec. 16700) of Part 2 of Division 7 of the Business and Professions Code, arising from purchase of goods, services or materials pursuant to the contract or subcontract. This assignment shall become effective when the CITY tenders final payment to the CONTRACTOR without further acknowledgment by the parties.

#### **SUBSTITUTION OF SECURITIES**

In conformance with the State of California Public Contract Code, Part 5, Section 22300, the CONTRACTOR may substitute securities for any monies withheld by the CITY to ensure performance under the contract.

At the request and expense of the CONTRACTOR, the CONTRACTOR has the option to set up an escrow agreement account with a local bank for direct deposit of the retention or deposit securities which have been approved by the CITY and deposited with a state or federally chartered bank as the escrow agent. Said securities will be used as a substitute for retention earnings required to be withheld by the CITY, pursuant to the construction contract. Said securities shall be solely for this project. When the CONTRACTOR deposits the CITY-approved securities with the escrow agent, the escrow agent shall notify the CITY within 10 calendar days of the deposit. Said securities shall be evaluated quarterly by the escrow agent to verify the current market value. If the current market value of said securities falls below the required amount, the escrow agent shall notify the CONTRACTOR and require additional securities and/or cash be submitted for CITY approval and be held in the escrow account to meet the CONTRACTOR'S obligations. Said securities shall be held by the escrow agent until such time as the escrow agent receives written notification from the CITY that the CONTRACTOR has satisfactorily completed his/her contract obligations.

The type of escrow account or types of securities deposited and the method of release shall be approved by the City Attorney's office.

# BID PROPOSAL

BIDDER'S NAME \_\_\_\_\_

TO CITY OF RANCHO MIRAGE, as CITY:

In accordance with CITY'S "Notice Inviting Sealed Bids", the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above-stated project as set forth in the Plans and Contract Documents therefore, and to perform all work in the manner and time prescribed therein.

BIDDER declares that this proposal is based upon careful examination of the work site, Plans, Instructions to Bidders, and Contract Documents. If this proposal is accepted for award, BIDDER agrees to enter into a contract with CITY. BIDDER understands that failure to enter into a contract in the manner and time prescribed will result in forfeiture to CITY of the Bid Bond accompanying this proposal.

BIDDER understands that a bid is required for the entire work and that final compensation under the contract will be based upon the actual work satisfactorily completed.

BIDDER agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires that every employer be insured against liability for workers compensation or to undertake self-insurance in accordance with the provisions of that code, and that the successful BIDDER shall comply with such provisions of that code before commencing the performance of the Contract.

BIDDER certifies that in all previous contracts or subcontracts, all reports that may have been due under the requirements of any agency, state, or federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

BIDDER declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the CITY is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual, firm, or corporation making a bid for the same work; and that this proposal is in all respects fair and without collusion or fraud.

DATED \_\_\_\_\_, 20\_\_

BIDDER \_\_\_\_\_

(BY) \_\_\_\_\_

TITLE \_\_\_\_\_

BIDDER'S ADDRESS:

\_\_\_\_\_  
\_\_\_\_\_

PHONE: \_\_\_\_\_

FAX: \_\_\_\_\_

## BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct.

Bidder's Name \_\_\_\_\_

Business Address \_\_\_\_\_  
\_\_\_\_\_

Telephone \_\_\_\_\_

State Contractor's License No. and Class \_\_\_\_\_

Original Date Issued \_\_\_\_\_ Expiration Date \_\_\_\_\_

Dir. No. \_\_\_\_\_

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

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The dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal are as follows:

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All current and prior dbas, aliases, and/or fictitious business names for any principal having an interest in this proposal are as follows.

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## BID BOND

KNOW ALL MEN BY THESE PRESENTS that \_\_\_\_\_, as BIDDER, and \_\_\_\_\_, as SURETY, are held and firmly bound unto the CITY OF RANCHO MIRAGE, as AGENCY, in the penal sum of \_\_\_\_\_ dollars (\$\_\_\_\_\_), which is ten percent (10%) of the total amount bid by BIDDER to AGENCY for the above-stated project, for the payment of which sum BIDDER and SURETY agree to be bound jointly, severally and firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas BIDDER is about to submit a bid to AGENCY for the above-stated project, if said bid is rejected, or if said bid is accepted and a contract is awarded and entered into by BIDDER in the manner and time specified, then this obligation shall be null and void; otherwise, it shall remain in full force and effect in favor of AGENCY.

WITNESS our hands this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_. (seal)

\_\_\_\_\_  
CONTRACTOR (CORPORATION)-TYPE

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary/Treasurer

**NOTE: SIGNATURE OF CORPORATE OFFICIALS MUST BE NOTARIZED.**

(seal)

\_\_\_\_\_  
SURETY'S NAME-TYPE

\_\_\_\_\_  
Mailing Address

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Title

**NOTE: SIGNATURE OF SURETY MUST BE NOTARIZED**

**NON-COLLUSION AFFIDAVIT**

STATE OF CALIFORNIA )

)

COUNTY OF )

\_\_\_\_\_, being first duly sworn, deposes and says that he is (sole owner, a partner, president, etc.) of \_\_\_\_\_ the party making the foregoing bid;

That such bid is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation; that such bid is genuine and not a collusive or sham bid, or that anyone shall refrain from bidding; that said bidder has not in any manner, directly or indirectly, sought by agreements, communication or conference with anyone to fix the bid price of said bidder or of any other bidder, or to fix the overhead, profit, or cost element of such bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in such bid are true, and further, that said bidder has not, directly or indirectly submitted his/her bid price, or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection, organization, bid depository, or to any member or persons as have a partnership or other financial interest with said bidder in his/her general business.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

## BID PROPOSAL SHEET

TOTAL COST: \$ \_\_\_\_\_

TOTAL BID AMOUNT IN WORDS \_\_\_\_\_

\_\_\_\_\_  
*(In Words)*

*By signing below the bidder acknowledges their understanding of the scope of work and that bidder has read, understands, and agrees to the terms and conditions of the project documents and all of the attachments and addenda.*

**AUTHORIZED SIGNATURE:**

\_\_\_\_\_

**PRINT SIGNER'S NAME AND TITLE:**

\_\_\_\_\_

\_\_\_\_\_

**DATE SIGNED:**

\_\_\_\_\_

**COMPANY NAME, ADDRESS, TELEPHONE:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**STANDARD AGREEMENT FOR PUBLIC WORKS CONSTRUCTION**

The CITY OF RANCHO MIRAGE ("CITY") and \_\_\_\_\_ ("CONTRACTOR"), through this agreement ("Agreement"), agree as follows:

A. CONTRACTOR shall construct the following public improvements ("work") identified as:

**INSTALLATION OF STEEL SECURITY FENCING AT RANCHO MIRAGE COMMUNITY PARK**

The work to be done consists of furnishing all materials, equipment, tools, labor, and incidentals as required by the Plans, Specifications and Contract Documents for the above-stated project. The general items of work to be done hereunder consist of the fabrication and installation of an architecturally exposed structural-steel fence enclosure and entry gates to secure the Rancho Mirage Community Park Amphitheater. Improvements include, but are not limited to, site preparation, footing excavation, fence footings and attachments, fence panels, and gates.

Demolition, removal and/or relocation of plant material, boulders, irrigation systems and equipment, and other surface and sub-surface items that will conflict with the installation of the fence enclosure shall be the responsibility of the City. Items that are discovered by the successful bidder during the course of construction that conflict with the installation of the fence enclosure shall be brought to the attention of the City immediately and shall be addressed by the City's forces unless directed otherwise. Items moved, damaged, or destroyed by the successful bidder during the course of construction shall become the responsibility of the successful bidder and shall be replaced or restored to working order and condition to the satisfaction of the City.

Restoration and/or replacement of plant material, boulders, irrigation systems and equipment, and other surface and sub-surface items displaced by this project shall be restored upon completion of the fence enclosure and shall be the responsibility of the City.

B. CITY-approved plans and specifications for the construction of the work, which are incorporated herein by reference and prepared by:

\_\_\_\_\_

are identified as:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. The following are attached hereto and made a part hereof and/or are incorporated by reference: Schedule A, Notice Inviting Sealed Bids, Instructions to Bidders, Proposal Documents, Contract Documents, General Provisions, Special Provisions, and all referenced specifications, details, standard drawings and appendices, together with this Agreement and all required bonds, insurance certificates, permits, notices and affidavits; and also including any and all addenda or supplemental agreements clarifying, amending or extending the work contemplated as may be required to ensure its completion in an acceptable manner.

1. **COMPENSATION:** For and in consideration of the payments to be made by CITY, CONTRACTOR agrees to furnish all materials and perform all work required for the project, and to fulfill all other obligations as set forth herein.

CONTRACTOR agrees to receive and accept the prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damage and consequences arising out of the nature of work during its progress or prior to its acceptance, including those for well and faithfully completing the work and the whole thereof in the manner and time specified herein; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work and all other unknowns or risks of any description connected with the work.

CITY hereby promises and agrees to retain, and does hereby retain, CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for prices aforesaid, and hereby contracts to pay the same at the time, in the manner and upon the conditions set forth herein.

Monthly progress payments shall be made by the CITY based upon the City Engineer's estimate of the percentage of work completed. The CITY will retain five (5) percent of each progress payment as security for completion of the balance of the work, in accordance with Section 9203 of the Public Contract Code. The retention shall be released in accordance with applicable law.

2. **IMPROVEMENTS:** For valuable consideration, CONTRACTOR agrees to do, or cause to be done, all of the work described herein by the date specified in Schedule A. CONTRACTOR warrants that all of the materials supplied and work to be done will be of good quality and workmanship. Said work shall be in strict conformity with the plans and specifications of the work, the standard specifications and drawings for public improvements adopted by CITY and this Agreement. CONTRACTOR shall furnish all transportation, equipment, labor, services, permits, utilities and all other items necessary to complete the work. CONTRACTOR shall pay all claims, demands and liability arising out of, or resulting from or in connection with, the performance of the work. CONTRACTOR shall furnish accurate "as constructed" plans. CONTRACTOR'S obligations herein are not limited by any cost estimates nor will any estimate be a measure of damages.
3. **TIME FOR COMPLETION:** The work shall be commenced on a date to be specified in a written Notice to Proceed from the CITY and shall be completed within sixty (60) calendar days from and after said date. It is expressly agreed that except for extensions of time duly granted in the manner and for the reasons specified in the General Provisions, time shall be of the essence.
4. **INSURANCE:** CONTRACTOR shall not commence or continue to perform any work unless CONTRACTOR has in full force and effect all insurance required hereunder with companies satisfactory to CITY. To be acceptable, insurers must be authorized to do business, and have an agent for service of process, in California, and have an "A" policyholder's rating and a financial rating of at least Class V, in accordance with the current Best's Ratings. All insurance policies shall be maintained until the work is accepted by CITY and provide for coverage of all causes of action or disputes arising out of acts in performance of the construction of the work herein, whether said causes or disputes are filed or brought to the attention of CITY before or after the termination of this Agreement.

Concurrent with execution of this Agreement, CONTRACTOR shall provide certificate(s) of insurance and endorsements, satisfactory to CITY, or otherwise provide proof of insurance as approved by the City Attorney, certifying that CONTRACTOR has and will maintain for the Agreement period, full worker's compensation insurance coverage as required by State laws, for all persons who are or may be employed in carrying out the work.

Concurrent with execution of this Agreement, CONTRACTOR shall provide to CITY certificate(s) of insurance and endorsements, satisfactory to CITY, or otherwise provide proof of insurance as approved by the City Attorney, certifying that CONTRACTOR has general liability and commercial vehicle liability insurance coverage naming CITY, City Council members, CITY'S engineer, and their consultants, officials, directors, officers, agents and employees, as additional insureds for both bodily injury and property damage of not less than that specified in Schedule A.

General liability and commercial vehicle liability insurance coverage shall include each of the following types of insurance as required by CITY to carry out this Agreement:

- |  |  |
|--|--|
| A. General Liability   | B. Vehicle Liability   |
| 1. Comprehensive Form  | 1. Comprehensive Form,<br>Including Loading and<br>Unloading |
| 2. Premises-Operations                                       | 2. Owned   |
| 3. Explosion and Collapse Hazard                             | 3. Hired   |
| 4. Underground Hazard  | 4. Non-owned   |
| 5. Products/Completed Operations Hazard                      |  |
| 6. Contractual Insurance                                     |  |
| 7. Broad Form Property Damage including Completed Operations |  |
| 8. Independent Contractors                                   |  |
| 9. Personal Injury   |  |

Concurrent with execution of any agreements between CONTRACTOR and any subcontractors retained by CONTRACTOR to perform any work required of CONTRACTOR hereunder, and in any event prior to CONTRACTOR authorizing any subcontractors to perform any such work or to even conduct any preliminary activities in preparation for or in anticipation of such work, CONTRACTOR shall collect certificates of insurance from all such subcontractors evidencing proof that all subcontractors have procured and will maintain all the insurance coverages required of CONTRACTOR under this Agreement.

In addition to naming the CITY, City Council members, CITY'S engineer, and their consultants, officials, directors, officers, agents and employees, as additional insureds, as set forth above, the certificates of insurance, including those provided by any subcontractor, provided either on forms required by the CITY or as otherwise approved by the City Attorney, shall bear the following endorsements: (1) each policy required herein must be endorsed to provide that the policy shall not be cancelled or non-renewed by or reduced in coverage or limits (except by paid claims) unless the insurer has provided the CITY with thirty (30) days prior written notice of cancellation; (2) the carriers of all required insurance policies must waive all rights of subrogation against the CITY and its officers, employees, servants, volunteers, agents and independent contractors; and (3) except for worker's compensation insurance, all insurance policies required to be provided by CONTRACTOR must be endorsed to provide that the policies shall apply on a primary and noncontributing basis in relation to any insurance or self-insurance, primary or excess, maintained or available to the CITY, and its officers, employees, servants, volunteers, agents and independent contractors.

Nothing contained in these insurance requirements shall limit the liability of CONTRACTOR or CONTRACTOR's sureties. Review and acceptance of insurance certificates shall not constitute any representation by CITY or its representatives that any required insurance has been issued.

5. **CONTRACTOR'S LIABILITY:** CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, be solely and completely responsible for all matters effecting the design, prosecution, progress and completion of the work (both on and off the job site).

CONTRACTOR shall be responsible for observing all laws. CONTRACTOR shall provide for public convenience and safety and safety of workers, including CONTRACTOR'S workers and those of CONTRACTOR'S subcontractors, suppliers and others contributing to the work. CONTRACTOR shall protect CITY property and property rights of others, including the location, maintenance and replacement of utilities, whether shown on the plans or not. CONTRACTOR shall give prior notification to utility owners. CONTRACTOR shall notify Underground Service Alert at 1-800-422-4133 at least 48 hours prior to start of construction. CONTRACTOR shall protect against, and prevent drainage from, storm runoff. CONTRACTOR shall not interfere with easements, rights-of-way and encroachment permits. Nothing in this Agreement, the specifications, or other contract documents, or CITY'S approval of the plans and specifications or inspection of the work is intended to include CITY'S review, inspection, acknowledgment of or responsibility for any such matters. CITY, CITY COUNCIL members, ENGINEER, and their consultants and each of their officials, directors, officers, employees and agents shall have no responsibility or liability for the above.

6. **CONTRACTOR'S INDEMNIFICATION:** CONTRACTOR shall indemnify and hold harmless CITY, CITY COUNCIL members, ENGINEER, and their consultants and each of their officials, directors, officers, agents and employees from and against all liability, claims, damages, losses, expenses and other costs, including costs of defense and attorneys' fees arising out of or resulting from or in connection with all matters affecting the design or construction of the work, both on and off the job site, and during and after completion. This, provided any of the above is: (1) attributable to bodily injury, sickness, disease or death, or to injury to or destruction of property (other than the work itself) including the loss of use resulting therefrom, and (2) caused in whole or in part by any act or omission of CONTRACTOR, CONTRACTOR'S engineer, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable. All of this regardless of whether or not it is caused in part by any act or omission (active, passive or comparative negligence included) of a party indemnified hereunder. Said indemnification and agreement to hold harmless shall extend to injuries to persons and damages to or taking of property resulting from all matters affecting the design or construction of said improvements or the diversion of waters or from all matters affecting the design or construction or maintenance of drainage systems, streets and other improvements. Acceptance of these improvements by CITY shall not constitute an assumption by CITY of any responsibility for such damage or taking. As to any and all claims against the indemnified parties by any employee of CONTRACTOR, any contractor, any subcontractor, any supplier, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnity obligations hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the CONTRACTOR, subcontractor, supplier or other person under workers' compensation acts, disability benefit acts or other employee acts.

CONTRACTOR shall also indemnify and hold harmless CITY, CITY COUNCIL members, ENGINEER, and their consultants, and each of their officials, directors, officers, employees and agents from and against all losses, expenses, damages (including damages to the work itself), attorneys' fees and other costs, including costs of defense, which any of them may incur both during and after completion with respect to any latent deficiency in all matters affecting the design, specifications, surveying, planning, supervision, observation or construction of the improvements referred to herein or any injury to a person or property, real or personal, as a result of any such latent portions of the work which CITY reasonably suspects may also be defective by reason of known defects in the work or other work performed by CONTRACTOR or CONTRACTOR'S subcontractors, or suppliers or designed by their representatives. Provisions of this paragraph shall remain in effect ten (10) years following acceptance of improvements by the City. Nothing contained herein shall limit CITY'S remedies pursuant to Code of Civil Procedure, Section 337.15.

7. **SECURITY:** With the execution of this Agreement, unless otherwise indicated on Schedule A, CONTRACTOR shall furnish and deliver to CITY, at no expense to CITY, a payment bond and a performance bond. Each shall be in the amount of CITY-approved estimate specified on Schedule A. Bonds shall be furnished by surety companies satisfactory to CITY on the forms provided by CITY. No alterations or substitution of said forms shall be allowed. To be acceptable, surety companies must be authorized to do business and have an agent for service of process in California, be on the accredited list of the United States Treasury Department, and have an "A" policyholder's rating and a financial rating of Class V, or better, in accordance with the current Best's Rating. The bonds shall be limited to amounts acceptable to the Treasury Department.

None of the following shall in any way affect the obligations of any surety. Each surety waives notice thereof: (a) any change, extension of time, alteration or additions to the terms of the Agreement, or the work to be performed, or the plans and specifications therefor; (b) any matters unknown to surety which might affect surety's risk, except that CITY shall advise surety upon request of the following: (1) any written claims it receives from unpaid subcontractors or suppliers, (2) any written orders received from other public authorities charging violations of laws, ordinances or regulations, and (3) failure of CONTRACTOR to comply with any written notice to correct defective work. The obligations of CONTRACTOR shall not be limited by the amount of such bonds.

8. **TYPES/AMOUNT OF SECURITY:** If specified in Schedule A, in lieu of payment and performance bonds, CONTRACTOR may furnish CITY either cash, a Letter of Credit, or an Agreement of Deposit as security for performance. Said security shall be in an amount not less than 100% of the cost estimate and, in addition, for payment of those furnishing materials, labor or equipment in an amount not less than 100% of the cost estimate. Said security agreements shall be on forms furnished by CITY. No alterations or substitution of said forms shall be allowed. The obligations of CONTRACTOR shall not be limited by the amount of the security required. No interest shall be paid CONTRACTOR on any cash deposit made pursuant to this paragraph.

9. **SUBSTITUTION OF SECURITIES:** In conformance with the State of California Public Contract Code, Part 5, Section 22300, CONTRACTOR may substitute securities for any monies withheld by the CITY to ensure performance under this Agreement.

At the request and expense of CONTRACTOR, CONTRACTOR has the option of establishing an escrow account with a state or federally chartered bank which shall serve as an escrow agent, for CONTRACTOR'S direct deposit of securities as a substitute for retention earnings required to be withheld by the CITY. Upon CONTRACTOR'S completion of its obligations hereunder, as evidenced by the CITY'S acceptance of the work pursuant to Section 11 hereof, the escrow agent shall return the securities to CONTRACTOR. The escrow agent shall notify the CITY within ten (10) days after deposit of the securities. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention. Securities shall be held in the name of the CITY and shall designate CONTRACTOR as the beneficial owner. Alternatively, on written request of CONTRACTOR, the CITY shall make payments of the retention earnings directly to the escrow account.

10. **PARTIAL UTILIZATION:** Until all work has been completed and accepted by CITY and all other public authorities having jurisdiction, CONTRACTOR shall be responsible for the care and maintenance of, or any damage to, the work.

When the work or any portion of it is sufficiently complete to be utilized or placed into service, CITY shall have the right, upon written notification to CONTRACTOR, to utilize such portions of the work and to place the operable portions into service. With this notice and commencement of utilization or operation by CITY, CONTRACTOR shall be relieved of the duty of maintaining the portions so utilized or placed into operation. However, such use and operation shall not relieve CONTRACTOR of the full responsibility for completing the work in its entirety, for making good any defective work or materials, for protecting the work from damage, and for being responsible for damage and for the work as set forth herein. Nor shall such action by CITY be deemed completion and acceptance. Further, such action shall not relieve CONTRACTOR or CONTRACTOR'S sureties and insurers of the provisions hereof relating to indemnity and guarantees.

11. **ACCEPTANCE OF PROJECT - WARRANTY**: Acceptance of the work shall only be by action of the CITY COUNCIL. Neither the acceptance nor any prior inspections or failure to inspect shall constitute a waiver by CITY of any defects in the work. From and after acceptance, the work shall be owned and operated by CITY. As a condition to acceptance, CONTRACTOR shall certify to CITY in writing that all of the work has been performed in strict conformity with the Agreement and that all costs have been paid or supplied to CITY security, satisfactory to CITY, guaranteeing such performance. In addition to CONTRACTOR'S other obligations under the Agreement CONTRACTOR warrants all work and materials to be good quality and fit for the purpose and intended use. CONTRACTOR shall also repair, replace and restore any other work which is displaced in correcting defective work as well as other portions of the work which CITY by reason of such defects reasonably suspects may also be defective.

In the event of a failure to commence with the compliance of above-mentioned conditions within seven (7) calendar days after being notified in writing or failure to diligently pursue such compliance to completion, CITY is hereby authorized to proceed to have the defects repaired and made good at the expense of CONTRACTOR who hereby agrees to pay the cost and charges therefor immediately on demand.

If, in the opinion of CITY, nonconforming work creates a dangerous condition or requires immediate correction or repair to prevent further loss to CITY or to prevent interruption of operations, CITY shall attempt to give the CONTRACTOR notice. If CONTRACTOR cannot be contacted or does not comply with CITY'S request for correction within a reasonable time as determined by CITY, CITY may proceed to make such correction or provide such repair. The costs of such correction or repair shall be charged against CONTRACTOR, who agrees to make payment for said costs upon demand.

Corrective action by CITY will not relieve CONTRACTOR or CONTRACTOR'S sureties or insurers of the guarantees and indemnities of this Agreement.

This paragraph does not in any way limit CITY'S remedies pursuant to Code of Civil Procedure, Section 337 and 337.15, or the guarantee on any items for which a longer guarantee is specified or on any items for which a manufacturer or supplier gives a longer guarantee period. CONTRACTOR agrees to act as a co-guarantor with such manufacturer or supplier and shall furnish CITY all appropriate guarantees or warranty certificates upon completion of the project. No manufacturer's guarantee period shall in any way limit the liability of CONTRACTOR or CONTRACTOR'S sureties and insurers under the indemnity or insurance provisions of this Agreement.

12. **CONTRACTORS AND AGENTS:** CONTRACTOR shall be as fully responsible to CITY for the acts and omissions of CONTRACTOR'S subcontractor and of the persons directly or indirectly employed by CONTRACTOR'S subcontractor as CONTRACTOR is for the acts and omissions of persons directly or indirectly employed by CONTRACTOR. Nothing contained in the Agreement shall create any contractual relationship between any subcontractor or others and CITY. CONTRACTOR shall bind every contractor to be bound by the terms of this Agreement.
13. **DEFAULT BY CONTRACTOR:** CONTRACTOR shall be in default of this Agreement if: CONTRACTOR refuses or fails to prosecute the work or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any written extension thereof, or fails to complete such work within such time, or if CONTRACTOR should be adjudged a bankrupt, make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of CONTRACTOR'S insolvency, or if CONTRACTOR or any of their subcontractors violate any of the provisions of this Agreement, or if CONTRACTOR fails to make prompt payment for materials or labor, or if CONTRACTOR disregards laws, ordinances, or instructions of CITY. CITY may thereafter serve written notice upon the CONTRACTOR and CONTRACTOR'S surety of its intention to declare this Agreement in default. Said notice shall contain the reasons for such intention to declare a default. Unless, within ten (10) days after the service of such notice, such violations shall cease and satisfactory arrangements for the corrections thereof be made, this Agreement shall upon the expiration of said time be in default.

Upon such default, CITY shall serve written notice thereof upon the surety and CONTRACTOR, and the surety shall have the right to take over and perform this Agreement. If the surety does not, within fifteen (15) days after the serving upon it of a notice of a default, give CITY written notice of its intention to take over and perform this Agreement or does not commence performance thereof within thirty (30) days from the date of CITY'S notice, CITY may take over the work and prosecute the same to the extent of completion it deems necessary by contract or by any other method it may deem advisable for the account and at the expense of CONTRACTOR, and the surety shall be liable to CITY for any cost or other damage occasioned CITY thereby. In such event CITY may, without liability for so doing, take possession of, and utilize in completing such work, such materials, appliances, plants, and other property belonging to CONTRACTOR that may be on the site of the work and be necessary therefor. Should surety fail to take over and diligently perform the Agreement upon CONTRACTOR'S default, surety agrees to promptly on demand deposit with CITY such amount as CITY may reasonably estimate as the cost of completing all of CONTRACTOR'S obligations. For any such work the CITY elects to complete by furnishing its own employees, materials, tools, and equipment, CITY shall receive reasonable compensation therefor including costs of supervision and overhead.

CITY may, at its option, elect not to complete any or all of the work and may elect not to accept any of the work already completed. If CITY elects not to accept any of the work, then all CITY'S obligations to CONTRACTOR and the lands to be served shall terminate. CITY'S obligations to CONTRACTOR and the lands to be served shall continue to the extent of any acceptance, subject to CITY'S right to offset any sums due the CITY.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies available to CITY.

14. **DELAY BY CONTRACTOR:** If the work is suspended or otherwise not continuously prosecuted for any cause whatsoever, within or without the time for completion, CONTRACTOR shall, at CONTRACTOR'S sole cost and expense, remove and replace all or any portion of the work already completed and inspected which CITY, in its sole discretion, determines is or can be damaged.

15. **ATTORNEYS' FEES AND COSTS:** Should CITY engage an attorney to enforce any provision of this Agreement or to defend any claim brought by anyone arising out of the failure of CONTRACTOR to perform any of CONTRACTOR'S obligations under this Agreement, CONTRACTOR shall pay all of CITY'S attorneys' fees incurred in connection therewith, with or without suit, whether or not said attorney is in the regular employ of the CITY.
16. **PREVAILING WAGES:** All work or services performed within the State of California pursuant to this Agreement by CONTRACTOR, CONTRACTOR's employees and independent contractors, or CONTRACTOR's subcontractors and its subcontractors' employees and independent contractors shall be performed by individuals lawfully permitted to perform such work or services in the State of California and/or the United States of America pursuant to all applicable State and/or Federal labor laws, rules and regulations including, but not limited to, any State or Federal law, rule or regulation prohibiting the employment of undocumented workers or any other person not lawfully permitted to perform said work or services in the State of California or the United States of America.

CONTRACTOR represents that it is an equal opportunity employer and shall not discriminate against any subcontractor, employee, or applicant ("person") for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age or sexual orientation. Unless otherwise permitted under the law, CONTRACTOR shall not refuse to hire or employ any such person or refuse to select any such person for a training program leading to employment, or bar or discharge any such person from employment or from a training program leading to employment, or otherwise discriminate against any such person in compensation or in terms, conditions, or privileges of employment.

CONTRACTOR and all of CONTRACTOR's subcontractors, if any, shall pay each employee engaged in all applicable trades or occupation not less than the prevailing hourly wage rate for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work. In accordance with the provisions of Section 1770 of the California Labor Code ("Labor Code"), the Director of Department of Industrial Relations of the State of California has determined the general prevailing rates of wages and employer payments for health and welfare, pension, vacation, travel time, and subsistence pay as provided for in Labor Code Section 1773.8, apprenticeship or other training programs authorized by Labor Code Section 3093 and similar purposes applicable to the work to be done. Said wages are available through the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov/dlsr/PWD/index.htm> and are on file at City Hall, as provided in Section 1773.2 of the Labor Code. Said rates shall be posted at the project site where work is to be performed, in accordance with Labor Code Section 1773.2. CONTRACTOR shall access a copy of the wage rate determination and shall make all subcontractors, if any, aware of the determination. As the wage determination for each craft reflects an expiration date, it shall be the CONTRACTOR's responsibility to ensure that the prevailing wage rates of concern are current and paid. Subject to the safe harbor provisions of Labor Code Section 1775, CONTRACTOR shall forfeit to the CITY an amount not to exceed two hundred dollars (\$200) for each calendar day or portion thereof, as set by the Labor Commissioner in accordance with the terms of Labor Code section 1775, for each laborer, workmen or mechanics employed that is paid less than the general prevailing rate of wages herein referred to and stipulated for any work done under the proposed contract, by him, or by any subcontractor under him, in violation of the provisions of the Labor Code, and in particular, Sections 1770 to 1781 inclusive. CONTRACTOR and any and all or its subcontractors shall forfeit to the CITY twenty-five dollars (\$25) for each worker employed in the performance of this Agreement for

each calendar day during which the worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of Section 1813 of the Labor Code.

CONTRACTOR and all subcontractors hired to perform any work for the subject project shall keep accurate payroll records, including 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 worker, in accordance with Section 1776 of the Labor Code. Payroll records shall be on forms provided by the Division of Labor Standards Enforcement ("DLSE") or in a manner containing the same information as the forms provided by the DLSE. Failure to comply with the above may result in monetary penalties to the CONTRACTOR or affected subcontractor. Payroll records shall be verified by written declaration made under penalty of perjury, that the information contained in the records is true and correct. CONTRACTOR and any and all subcontractors shall make a certified copy of all payroll records available for inspection by DLSE, the CITY or any member of the public and otherwise provide certified copies of such records to any of the foregoing within ten (10) days of CONTRACTOR's and subcontractor's receipt of written request therefor. Failure to comply with the above may result in monetary penalties, in accordance with Labor Code Section 1776(d) and (h).

Notwithstanding anything else to the contrary, CONTRACTOR hereby acknowledges that all contractors must be registered with the Department of Industrial Relations ("Department") pursuant to Labor Code Section 1725.5 in order to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract, including this Agreement, that is subject to the payment of prevailing wages. CONTRACTOR represents and warrants that CONTRACTOR is registered with the Department in the manner prescribed by the Department and has paid the requisite application fee, as required by Labor Code Section 1725.5. Moreover, prior to CONTRACTOR entering into any contracts with any subcontractor, CONTRACTOR shall obtain proof that all such subcontractors have also registered with the Department in accordance with Section 1725.5.

17. **ASSIGNMENT**: The performance of the Agreement may not be assigned except upon the written consent of CITY. Consent will not be given to any proposed assignment which would relieve CONTRACTOR or CONTRACTOR'S sureties of their responsibilities under the Agreement unless CITY finds that assignee can perform this Agreement and provide security comparable to that provided by CONTRACTOR.
18. **NOTICE**: All notices required hereunder shall be deemed served or given upon the earlier of actual receipt or deposit in the U.S. Postal Service, first class postage prepaid, addressed to CONTRACTOR at the address set forth below, to the surety at the address in the security instrument, and to CITY at 69-825 Highway 111, Rancho Mirage, California 92270.

**CITY OF RANCHO MIRAGE  
STANDARD AGREEMENT FOR PUBLIC WORKS CONSTRUCTION  
SIGNATURE REQUIREMENTS**  
(Limited Partnership/General Partnership/Corporation)

**1 WHERE PRINCIPAL IS A LIMITED PARTNERSHIP**

- A. General Partner shall execute on behalf of the limited partnership.
- B. General Partner shall furnish City of Rancho Mirage a copy of the recorded Certificate of Limited Partnership to authenticate the authority of the General Partner to sign on behalf of the limited partnership.

**2 WHERE PRINCIPAL IS A GENERAL PARTNERSHIP**

- A. General Partner shall execute on behalf of general partnership.
- B. General Partner shall furnish City of Rancho Mirage a copy of the General Partnership Agreement authenticating that the General Partner who signs the document has authority to do so.

**3 WHERE PRINCIPAL IS A CORPORATION**

- A. Officers shall execute on behalf of corporation.
- B. Officers shall furnish City of Rancho Mirage a copy of a corporate resolution indicating that the officers who sign the document are the officers of the corporation and authorized to bind the corporation to contract. Corporation requires two signatures.

In each of the foregoing situations (a limited partnership, a general partnership or a corporation) the CITY requires an individual obligor in addition to the partnership or corporate entity.

For example, John Doe may sign on behalf of either partnership or the corporation as the General Partner and/or president thereof, but then, in addition, John Doe is required to sign the document individually as an individual obligor.

By \_\_\_\_\_  
Ted Weill Date

Title: Mayor

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

ATTEST:

By: \_\_\_\_\_  
City Clerk

(SEAL IF CORPORATION)

By \_\_\_\_\_  
(Authorized Representative of Corporation) Date

Title \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

By \_\_\_\_\_  
Individual Guarantor

Address \_\_\_\_\_

\_\_\_\_\_

Telephone No. \_\_\_\_\_

By \_\_\_\_\_  
Individual Guarantor

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No. \_\_\_\_\_

**(SIGNATURES MUST BE NOTARIZED)**

(Seal: Partnership/Corporation)

**SCHEDULE A**

**STANDARD AGREEMENT FOR PUBLIC WORKS CONSTRUCTION**

This schedule is attached to and made a part of the Standard Agreement for Construction of Public Improvements between CITY and CONTRACTOR for the above-referenced property.

- 1. Compensation: \$ \_\_\_\_\_
- 2. Completion Date (60 Calendar Days): To be determined by Notice to Proceed
- 3. Liability Insurance Limits:

General Liability

\$2,000,000	Each Occurrence (Includes Bodily Injury and Property Damage)
\$1,000	Medical Expense
\$1,000,000	Personal & Advertising Injury
\$2,000,000	General Aggregate
\$2,000,000	Products-Completed/Operations Aggregate

Vehicle Liability

Combined Single Limit      \$1,000,000 each accident, and \$2,000,000 in the aggregate

Workers Compensation      Statutory

- 4. Approved Security Amounts:

- a. Performance

\$ \_\_\_\_\_

- b. Payment

\$ \_\_\_\_\_

- 5. Bond Substitute Acceptable:                      Yes    No (Cross out one)

- 6. Contractor(s):

<u>Name and Address</u>	<u>License No.</u>	<u>Phase of Work</u>
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(    ) Initial of CITY REPRESENTATIVE

(    ) Initials of CONTRACTOR REPRESENTATIVE

# LETTER OF CREDIT

CITY OF RANCHO MIRAGE  
69-825 Highway 111  
Rancho Mirage, CA 92270

Attention: Randal K. Bynder, City Manager

Reference: Irrevocable Letter of Credit No. \_\_\_\_\_

Gentlemen:

This Letter of Credit is given to fulfill the requirements of that certain agreement entered into between the City of Rancho Mirage, a political subdivision of the State of California, hereinafter referred to as "CITY," and

\_\_\_\_\_ hereinafter referred to as "Principal," covering certain improvements to be installed in that certain project known and designated as:

As required by said agreement, and for that purpose only, we hereby establish in favor of CITY our Irrevocable Letter of Credit No. \_\_\_\_\_ in the amount of \_\_\_\_\_ U.S. dollars (\$ \_\_\_\_\_), to be paid by drafts at sight on us if accompanied by the following documents:

CITY'S written statement (signed by the City Manager or City Attorney) certifying that there has been failure of the Principal to perform the above agreement. Said statement shall declare the amount of the sight draft on us and that the amount of this draft is, therefore, now due and payable.

IT IS AGREED that the above funds are on deposit and guaranteed for payment and said funds shall become trust funds for the purposes set forth herein as required by Section 66499.6 of the Government Code of the State of California.

Upon our receipt, from time to time, of a signed and dated certificate, in the form below, from the City of Rancho Mirage, the amount of this Letter of Credit will be reduced by the amount stated in such certificate. Said certificate must read as follows:

Required improvement(s) has been performed in that certain project known and designated as \_\_\_\_\_. The amount and liability under Letter of Credit No. \_\_\_\_\_ is hereby reduced to \$ \_\_\_\_\_

All drafts under this Letter of Credit shall be marked:

Name of Bank \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

We expressly agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit shall meet with due honor upon representation. "Due honor" requires payment to CITY within three (3) banking days after presentation of demand.

This Letter of Credit shall be deemed automatically extended without amendment one year from the present and annually thereafter unless sixty (60) days prior to any such date bank shall notify City Clerk, by registered letter, that bank elects not to renew for such additional one year. In any event, this guaranteed Letter of Credit shall expire forty-five (45) days after CITY'S approval of the foregoing improvements, the recordation of the Notice of Acceptance and notification thereof to bank.

DATED: \_\_\_\_\_

Name of Bank \_\_\_\_\_

By: Authorizing Agent or Representative \_\_\_\_\_

APPROVED AS TO FORM: \_\_\_\_\_

City Attorney

**Note: Letter must be submitted on bank letterhead with resolution or other documentation identifying signature as bank officer authorized to sign on behalf of bank.**

## PERFORMANCE BOND

We, \_\_\_\_\_, as Principal, and \_\_\_\_\_, as Surety, jointly and severally, firmly bind ourselves, our heirs, representatives, successors and assigns, as set forth herein, to the City of Rancho Mirage ("CITY") for payment of the penal sum of: \_\_\_\_\_ U.S. Dollars (\$\_\_\_\_\_). CITY and Principal have entered into an agreement, or are about to enter into the agreement attached hereto and incorporated by reference, for the construction of public improvements for property referenced in said agreement. Surety herein approves of the terms and conditions of said agreement and binds itself to faithfully perform the obligations of Principal therein if Principal fails to so perform. Surety acknowledges that the agreement herein referenced shall be that document as executed by CITY and Principal.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal shall in all things stand to and abide by, and well and truly keep and perform all of the covenants, conditions, and provisions in said agreement, and any alteration thereof made as therein provided, on Principal's part to be kept and performed at the time and in the manner therein specified, and shall indemnify and save harmless the CITY, CITY'S engineer, and their consultants, and each of their officials, directors, officers, employees and agents, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

Surety agrees that should it fail to take over and diligently perform the agreement upon Principal's default after notice and within the time specified in the agreement, Surety will promptly on demand deposit with CITY such amount as CITY may reasonably estimate as the cost of completing all of Principal's obligations. Surety's obligation for payment herein shall extend, notwithstanding any controversy between Principal and CITY regarding Principal's failure under the agreement should be conclusively presumed between the parties herein to relieve, as demanded, Surety's obligations herein and shall be deemed proper payment as between Principal and Surety.

Surety agrees that no change, extension of time, alteration, or addition to the terms of the agreement, or the work to be performed thereunder or the plans and specifications, or any matters unknown to Surety which may affect Surety's risk shall in any wise affect its obligation on this bond, and it does thereby waive notice thereof.

Principal and Surety agree that if the CITY is required to engage the services of an attorney in connection with the enforcement of this bond, each shall pay CITY'S reasonable attorneys' fees incurred, with or without suit, in addition to the above sum.

Executed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Seal of Corporation

By \_\_\_\_\_  
Authorized Representative of Principal

Title \_\_\_\_\_

By \_\_\_\_\_  
Authorized Representative of Principal

Title \_\_\_\_\_

**(ATTACH ACKNOWLEDGEMENT OF AUTHORIZED REPRESENTATIVES)**

Any claims under this bond may be addressed to: (check one)

Surety's agent for service  
of process in California:

( ) \_\_\_\_\_  
Surety Company

\_\_\_\_\_  
Name

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City and State

\_\_\_\_\_  
City and State

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Telephone Number

By \_\_\_\_\_  
Attorney in Fact or other Representative

**(ATTACH ACKNOWLEDGEMENT OF AUTHORIZED REPRESENTATIVE)**

( ) \_\_\_\_\_  
Company Agent

APPROVED AS TO FORM:

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City and State

\_\_\_\_\_  
Telephone Number

Furnish the name, address and phone number of the company agent as well as the surety company. Sureties must be authorized to do business in and have an agent for service of process in California and be on the accredited list of the United States Treasury Department (their bonds will be limited to such amounts as would be acceptable to the Treasury Department), and otherwise meet the requirements of section 7 of the agreement.

**(NOTICE: No substitution or revision of this bond form shall be accepted.)**

## PAYMENT BOND

We, \_\_\_\_\_, as Principal, and \_\_\_\_\_, as Surety, jointly and severally, firmly bind ourselves, our heirs, representatives, successors and assigns, as set forth herein, to the CITY OF RANCHO MIRAGE ("CITY") and those for whose benefit this bond insures in the sum of \_\_\_\_\_ U.S. Dollars (\$\_\_\_\_\_). CITY and Principal have entered into an agreement, or are about to enter into the agreement attached hereto and incorporated by reference, for the construction of public improvements for the property referenced in said agreement. Surety herein approves of the terms and conditions of said agreement and binds itself to faithfully perform the obligations of Principal therein if Principal fails to so perform. Surety acknowledges that the agreement herein referenced shall be that document as executed by CITY and Principal. If Principal or any of Principal's contractors or subcontractors, fails to pay any of the persons named in Title 15 of the California Civil Code employed in the performance of the agreement for materials furnished or for labor thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such work or labor, then Surety shall pay the same in an amount not exceeding the sum specified above, and also shall pay, in case suit is brought upon this bond, such reasonable attorneys' fees as shall be fixed by the court.

Surety agrees that it shall pay the amounts due the persons above named and diligently perform the agreement upon Principal's default after notice and within the time specified in the agreement. If Surety fails to perform within the times specified in the agreement, Surety shall promptly on demand deposit with CITY such amount as CITY may reasonably estimate as the cost of completing all of Principal's obligations. Surety's obligation for payment herein shall extend, notwithstanding any controversy between Principal and CITY regarding Principal's failure under the agreement. Principal and Surety agree that any payment by Surety pursuant to this paragraph should be conclusively presumed between the parties herein to relieve, as demanded, Surety's obligation herein and shall be deemed proper payment as between Principal and Surety.

This bond shall insure to the benefit of any and all of the persons named in Section 9000 *et seq.* of the California Civil Code so as to give a right of action to them or their assigns in any suit brought upon this bond.

Surety agrees that no change, extension of time, alteration, or addition to the terms of the agreement, or the work to be performed thereunder, or the plans and specifications, or any matters unknown to Surety which might affect Surety's risk, shall in any way affect its obligation on this bond, and it does hereby waive notice thereof.

Principal and Surety agree that should CITY become a party to any action on this bond, that each will also pay CITY'S reasonable attorneys' fees incurred therein in addition to the above sums.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Seal of Corporation

By \_\_\_\_\_  
Authorized Representative of Principal  
Title \_\_\_\_\_

**(ATTACH ACKNOWLEDGEMENT)**

By \_\_\_\_\_  
Authorized Representative of Principal  
Title \_\_\_\_\_

Any claims under this bond may be addressed to: (check one)

Surety's agent for service  
of process in California:

( ) \_\_\_\_\_  
Surety Company

\_\_\_\_\_  
Name

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
City and State

\_\_\_\_\_  
City and State

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Telephone Number

By \_\_\_\_\_  
Attorney in Fact or other Representative

**(ATTACH ACKNOWLEDGEMENT OF AUTHORIZED REPRESENTATIVE)**

( ) \_\_\_\_\_  
Company Agent

APPROVED AS TO FORM:

\_\_\_\_\_  
Street Number

\_\_\_\_\_  
CITY Attorney

\_\_\_\_\_  
City and State

\_\_\_\_\_  
Telephone Number

Furnish the name, address and phone number of the company agent as well as the surety company.

Sureties must be authorized to do business in and have an agent for service of process in California and be on the accredited list of the United States Treasury Department (their bonds will be limited to such amounts as would be acceptable to the Treasury Department), and otherwise meet the requirements of section 7 of the agreement.

**(NOTICE: No substitution or revision of this bond form shall be accepted.)**



Recording Requested By And  
When Recorded Mail to:

CITY OF RANCHO MIRAGE  
69-825 Highway 111  
Rancho Mirage, CA 92270  
No fee

**NOTICE OF ACCEPTANCE**

Notice is hereby given that the following public improvements have been completed and accepted by the CITY COUNCIL of the City of Rancho Mirage on \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Brief description of improvements)

\_\_\_\_\_  
(General location)

\_\_\_\_\_ Rancho Mirage, California,

\_\_\_\_\_  
(Owner of property)

\_\_\_\_\_  
(Contractor(s))

This Notice of Acceptance is executed under authority of a directive from the City Council of the City of Rancho Mirage.

I, \_\_\_\_\_, declare under the penalty of perjury that I am the \_\_\_\_\_ of the City of Rancho Mirage, that I am familiar with the facts stated in the foregoing Notice of Acceptance executed for and on its behalf, and that I have read the foregoing Notice of Acceptance and know the contents thereof to be true.

DATED: \_\_\_\_\_, 20\_\_\_\_.

**(SIGNATURES MUST BE NOTARIZED)**

\_\_\_\_\_

\_\_\_\_\_  
Title