

AWARD OF A CONTRACT TO AMERICAN ASPHALT SOUTH FOR RUBBERIZED ASPHALT PAVEMENT FOR ON-CALL RAP SLURRY SEAL, IFB NO. S-1175

October 13, 2015

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operators specified in Option A. For bidding purposes only, the pricing matrix is representative of a total of all machines for one (1) hour period.

Staff has examined the bids received and determined that the lowest responsive bidder is American Asphalt South. Staff has researched the proposed contractor's service history, finding no negative issues in customer service.

FINANCIAL IMPACT

Funding for this project is available in the 2015/2016 Street Division Budget. A termination clause has been included in the contract should funding become unavailable.

RECOMMENDATION

It is recommended that the City Council:

- Award the contract to lowest responsive bidder, American Asphalt South, in the amount not to exceed \$776,400, for On-Call RAP Slurry Sealing; including Option "A"; and
- Authorize the City Manager to execute the agreement on behalf of the City and make minor modifications as appropriate.



WILLIAM E. MURRAY
Public Works Director, P.E.



BY: Robert R. Moungey
Public Works Supervisor

Attachment: Agreement

Recommended for Approval



Scott C. Stiles
City Manager

SECTION 4 - AGREEMENT

PROJECT AGREEMENT

THIS AGREEMENT is made this ___ day of _____, 2015 by the CITY OF GARDEN GROVE, a municipal corporation, ("CITY"), and **American Asphalt South, Inc.**, hereinafter referred to as ("CONTRACTOR").

RECITALS:

The following recitals are a substantive part of this Agreement:

This Agreement is entered into pursuant to Garden Grove COUNCIL AUTHORIZATION, DATED _____.

CITY desires to utilize the services of Furnish all Labor, Material, Tools and Equipment for the 2015 On- Call (RAP) Reclaimed Asphalt Pavement Slurry Seal and Asphalt Cold Milling.

CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

4.0 **Compensation.** CONTRACTOR shall be compensated as follows:
Compensation under this agreement shall be a Not to exceed (NTE) amount of Seven Hundred Seventy Six Thousand Four Hundred dollars (\$776,400.00) for the first year of which \$476,400 is for Part I, Type II RAP Slurry, and \$300,000 is for the equipment and operators in Option A, payable in arrears and in accordance with Bid Proposal (Attachment B), which is attached and is hereby incorporated by reference. Payment for work under this Agreement shall be made per invoice for work completed. All work shall be in accordance with Bid No. S-1175 and the Plans and Specifications (Attachment A), which are attached and are hereby incorporated by reference.

Pricing shall remain firm for the first year of the performance period. For the second year, Contractor may request an increase for material only. Thereafter, contractor may request pricing increase prior to the signing of each option year.

Contractor may receive additional compensation for material increases based upon The California Statewide Paving Asphalt Price Index when an increase in materials exceeds five percent (5%) for the month in which bid opening for the project occurred. To exercise this option the Contractor must notify the City of its intent by Certified mail prior to initializing any portion of the project(s) affected

by the proposed material cost increase(s). The City shall then have the option of increasing the rate of compensation, decreasing the scope of work, or terminating the agreement.

4.1 **General Conditions.** CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR'S investigation of all such matters and is in no way relying upon any opinions or representations of CITY. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents including the Notice Inviting Bids, Special Instructions to Bidders, if any, Plans and Specifications, and Contractor's Proposal, are incorporated in this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract.

"Project" as used herein defines the entire scope of the work covered by all the Contract Documents. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to City's Engineer, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR'S own risk and expense. The decision of the Engineer shall be final.

4.2 **Materials and Labor.** CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by the CITY, to complete the project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, CITY may settle such claims by making demand upon the surety to this Agreement. In the event of the failure or refusal of the surety to satisfy said claims, CITY may settle them directly and deduct the amount of payments from the Contract price and any amounts due to CONTRACTOR. In the event CITY receives a stop notice from any laborer or material supplier alleging non-payment by CONTRACTOR, CITY shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

4.3 **Project.** The PROJECT is described as of Furnish all Labor, Material, Tools and Equipment for the 2015 On- Call (RAP) Reclaimed Asphalt Pavement Slurry Seal and Asphalt Cold Milling.

4.4 Plans and Specifications. The work to be done is described in a set of detailed Plans and Specifications for: of Furnish all Labor, Material, Tools and Equipment for the 2015 On- Call (RAP) Reclaimed Asphalt Pavement Slurry Seal and Asphalt Cold Milling.

Said Plans and Specifications and any revisions, amendments or addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference. The work to be done must also be in accordance with the General Provisions, Standard Specifications and Standard Plans of City which are also incorporated herein and referred to by reference.

4.5 Time of Commencement and Completion. The performance period shall be for one (1) year from Notice to Proceed with four (4) one year options to renew. The contract may be extended one year at a time, at the sole option of the CITY, to a maximum of five (5) years. CONTRACTOR agrees to commence the Project within TEN (10) calendar days from the date set forth in the "Notice to Proceed.

4.6 Time is of the Essence. Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR'S work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the work covered by this Contract with that of all other contractors, subcontractors and of the CITY, in a manner that will facilitate the efficient completion of the entire work in accordance with Section 4.5 herein. CITY shall have complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of CONTRACTOR on the premises.

4.7 Excusable Delays. CONTRACTOR shall be excused for any delay in the prosecution or completion of the Project caused by acts of God; inclement weather; damages caused by fire or other casualty for which CONTRACTOR is not responsible; and act, neglect or default of CITY; failure of CITY to make timely payments to CONTRACTOR; late delivery of materials required by this CONTRACT to be furnished by CITY; combined action of the workers in no way caused by or resulting from default or collusion on the part of CONTRACTOR; a lockout by CITY; or any other delays unforeseen by CONTRACTOR and beyond CONTRACTOR'S reasonable control.

City shall extend the time fixed in Section 4.5 herein for completion of the Project by the number of days CONTRACTOR has thus been delayed, provided that CONTRACTOR presents a written request to CITY for such time extension within fifteen (15) days of the commencement of such delay and CITY finds that the delay is justified. CITY'S decision will be conclusive on the parties to this Contract. Failure to file such request within the time allowed shall be deemed a waiver of the claim by CONTRACTOR.

No claims by CONTRACTOR for additional compensation or damages for delays will be allowed unless CONTRACTOR satisfies CITY that such delays were unavoidable and not the result of any action or inaction of CONTRACTOR and that CONTRACTOR took all available measures to mitigate such damages. Extensions of time and extra compensation as a result of incurring undisclosed utilities will be determined in accordance with Section 9-103A of the State of California Department of Transportation Standard Specifications. The CITY'S decision will be conclusive on all parties to this Contract.

4.8 Extra Work. The Contract price includes compensation for all work performed by CONTRACTOR, unless CONTRACTOR obtains a written change order signed by a designated representative of CITY specifying the exact nature of the extra work and the amount of extra compensation to be paid all as more particularly set forth in Section 4.9 hereof. CITY shall extend the time fixed in Section 4.5 for completion of the Project by the number of days reasonably required for CONTRACTOR to perform the extra work, as determined by CITY'S Engineer. The decision of the Engineer shall be final.

4.9 Changes in Project.

4.9.1 CITY may at any time, without notice to any surety, by written order designated or indicated to be a change order, make any change in the work within the general scope of the Contract, including but not limited to changes:

- a. in the Specifications (including drawings and designs);
- b. in the time, method or manner of performance of the work;
- c. in the City-furnished facilities, equipment, materials, services or site; or
- d. directing acceleration in the performance of the work.

4.9.2 A change order shall also be any other written order (including direction, instruction, interpretation or determination) from the CITY which causes any change, provided CONTRACTOR gives the CITY written notice stating the date, circumstances and source of the order and that CONTRACTOR regards the order as a change order.

4.9.3 Except as provided in this Section 4.9, no order, statement or conduct of the CITY or its representatives shall be treated as a change under this Section 9 or entitle CONTRACTOR to an equitable adjustment.

4.9.4 If any change under this Section 4.9 causes an increase or decrease in CONTRACTOR'S actual, direct cost or the time required to perform any part of the work under this Contract, whether or not changed by any order, the CITY shall make an equitable adjustment and modify the Contract in writing. Except for claims based on defective specifications, no claim for any change under paragraph (4.9.2) above shall be allowed

for any costs incurred more than 20 days before the CONTRACTOR gives written notice as required in paragraph (4.9.2). In the case of defective specifications for which the CITY is responsible, the equitable adjustment shall include any increased direct cost CONTRACTOR reasonably incurred in attempting to comply with those defective specifications.

4.9.5 If CONTRACTOR intends to assert a claim for an equitable adjustment under this Section 4.9, it must, within thirty (30) days after receipt of a written change order under paragraph (4.9.1) or the furnishing of a written notice under paragraph (4.9.2), submit a written statement to the CITY setting forth the general nature and monetary extent of such claim. The CITY may extend the 30-day period. CONTRACTOR may include the statement of claim in the notice under paragraph (4.9.2) of this Section 4.9.

4.9.6 No claim by CONTRACTOR for an equitable adjustment shall be allowed if made after final payment under this Agreement.

4.9.7 CONTRACTOR hereby agrees to make any and all changes, furnish the materials and perform the work that CITY may require without nullifying this Contract. CONTRACTOR shall adhere strictly to the Plans and Specifications unless a change therefrom is authorized in writing by the CITY. Under no condition shall CONTRACTOR make any changes to the Project, either in additions or deduction, without the written order of the CITY and the CITY shall not pay for any extra charges made by CONTRACTOR that have not been agreed upon in advance in writing by the CITY. CONTRACTOR shall submit immediately to the CITY written copies of its firm's cost or credit proposal for change in the work. Disputed work shall be performed as ordered in writing by the CITY and the proper cost or credit breakdowns therefor shall be submitted without delay by CONTRACTOR to CITY.

4.10 Liquidated Damages for Delay. The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 4.5 herein, plus the allowance made for delays or extensions authorized under Section 4.7, 4.8 and 4.9 herein, the CITY will sustain damage which would be extremely difficult and impractical to ascertain. The parties therefore agree that CONTRACTOR will pay to CITY the sum of two hundred and fifty dollars (\$250.00) per day for each and every calendar day during which completion of the Project is so delayed. CONTRACTOR agrees to pay such liquidated damages and further agrees that CITY may offset the amount of liquidated damages from any moneys due or that may become due CONTRACTOR under the Contract.

4.11 Contract Price and Method of Payment. CITY agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided

in approved change orders, the sum as itemized in the bid proposal. Progress payments shall be made to the CONTRACTOR per month for each successive month as the work progresses. The CONTRACTOR shall be paid such sum as will bring the total payments received since the commencement of the work up to ninety five percent (95%) of the value of the work completed, less all previous payments, provided that the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule. The CITY will retain five percent (5%) of the amount of each such progress estimate and material cost until 30 days after the recordation of the Notice of Completion.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the CITY'S Engineer, stating that the work for which payment is demanded has been performed in accordance with the terms of the Contract. Partial payments of the Contract price shall not be considered as an acceptance of any part of the work.

4.12 Substitution of Securities in Lieu of Retention of Funds. Pursuant to California Public Contract Code Section 22300, the CONTRACTOR will be entitled to post approved securities with the CITY or an approved financial institution in order to have the CITY release funds retained by the CITY to ensure performance of the Contract. CONTRACTOR shall be required to execute an addendum to this Contract together with escrow instructions and any other documents in order to effect this substitution.

4.13 Completion. CITY may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier in connection with Stop Notices, which have been filed under the provisions of the statutes of the State of California.

4.14 Contractor's Employee Compensation.

4.14.1 General Prevailing Rate. CITY has ascertained CONTRACTOR shall comply with all applicable requirements of Division 2, Part 7, Chapter 1 of the California Labor Code and all applicable federal requirements respecting the payment of prevailing wages. If there is a difference between the minimum wage rates predetermined by the Secretary of Labor and the prevailing wage rates determined by the Director of the Department of Industrial Relations (DIR) for similar classifications of labor, the CONTRACTOR and its Subcontractors shall pay not less than the higher wage rate. The DIR will not accept lower State wage rates not specifically included in the Federal minimum wage determinations. This includes "helper" (or other classifications based on hours of experience) or any other classification not appearing in the Federal Wage determinations. Where Federal wage determinations do not contain the State wage rate determination otherwise available for use by the CONTRACTOR and Subcontractors, the CONTRACTOR and its Subcontractors shall pay not less than the Federal Minimum wage rate which most closely approximates the duties of the employees in question.

- 4.14.2 Forfeiture for Violation.** CONTRACTOR shall, as a penalty to the CITY, forfeit one hundred dollars (\$100.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.
- 4.14.3 Apprentices.** Section 1777.5, 1777.6 and 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices is applicable to this Contract and the CONTRACTOR shall comply therewith; provided, however, that this requirement shall not apply if and/or to the extent that the Contract of the general CONTRACTOR, or the contracts of specialty contractors not bidding for work through a general or prime contractor involves less than thirty thousand dollars (\$30,000.00).
- 4.14.4 Workday.** In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him thereunder except as provided in paragraph (4.14.1) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Sections 1810 et sep.) of the Labor Code of the State of California and shall forfeit to the CITY as a penalty, the sum of twenty-five dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.
- 4.14.5 Record of Wages: Inspection.** CONTRACTOR agrees to maintain 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 it in connection with the Project and agrees to require that each of its subcontractors does the same. The applicable CONTRACTOR or subcontractor or its agent having authority over such matters shall certify all payroll records as accurate. CONTRACTOR further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. CONTRACTOR shall comply with all of the provisions of Labor Code Section 1776, and shall

submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3).

4.14.6 CONTRACTOR REGISTRATION; MAINTENANCE OF PAYROLL RECORDS; JOB SITE POSTING

4.14.6.1 **Contractor Registration.** CONTRACTOR and its subcontractors must be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5. This Agreement shall not be effective until CONTRACTOR provides proof of registration to the CITY.

4.14.6.2 **Payroll Records.** CONTRACTOR shall maintain accurate payroll records and shall comply with all of the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3).

4.14.6.3 **Posting of Job Site Notices.** CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner pursuant to Title 8, California Code of Regulations Section 16461(e) or other regulation promulgated pursuant to Labor Code Section 1771.4(a)(2).

4.14.6.4 **Notice of DIR Compliance Monitoring and Enforcement.** Pursuant to Labor Code Section 1771.4, this Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.

4.15 Surety Bonds. CONTRACTOR shall, upon entering into performance of this Agreement, furnish bonds in the amount of one hundred percent (100%) of the Contract price bid, to guarantee the faithful performance of the work, and the other in the amount of one hundred percent (100%) of the Contract price bid to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and approve by the CITY. The Surety Company must have an AM Best rating of A- VII or better.

4.16 Insurance.

4.16.1 CONTRACTOR is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or undertake self-insurance with provisions of that Code and will comply with such provisions before commencing the performance of the work of this Contract.

4.16.2 CONTRACTOR and all subcontractors will carry and provide Workers' Compensation insurance for the protection of its employees during the progress of the work and *provide Employers Liability in an amount not less than \$1,000,000*. The insurer shall waive its rights of subrogation against the CITY, its officers, agents and employees and shall issue a certificate to the policy evidencing same.

4.16.3 For any claims related to this Agreement, CONTRACTOR'S insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall by excess of the CONTRACTOR'S insurance and shall not contribute with it.

4.16.4 Before CONTRACTOR performs any work at, or prepares or delivers materials to, the site of construction, CONTRACTOR shall furnish certificates of insurance and endorsements evidencing the foregoing insurance coverage and such certificates of insurance and endorsements shall provide the name and policy number of each carrier and that the insurance is in force and will not be cancelled without 30 days written notice to the CITY. CONTRACTOR shall maintain all of the foregoing insurance in force until the work under this contract is satisfactorily and fully completed to the satisfaction of the CITY. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of CITY by Contractor under Section 4.17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, the following insurance in amounts not less than the amounts specified and issued by a company having a Best's Guide Rate of A-, Class VII or better (claims made and modified occurrence policies are not acceptable).

4.16.5 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance. Contractor shall also provide a waiver of subrogation for each policy.

4.16.6 INSURANCE AMOUNTS. CONTRACTOR and all subcontractors shall maintain the following insurance in the amount and type for the duration of this Agreement:

- (a) Commercial general liability in an amount not less than \$5,000,000 per occurrence, and not excluding XCU; **(claims made and modified occurrence policies are not acceptable)**; Insurance companies must be acceptable to CITY

and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

- (b) Automobile liability in an amount not less than \$1,000,000 combined single limit; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (c) Excess liability, follows form coverage, shall be provided for any underlying policy that does not meet the insurance requirements set forth herein. (**claims made and modified occurrence policies are not acceptable**) Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY.

An Additional Insured Endorsement, **ongoing and products-completed operations**, for the policy under section 4.16.6 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to city's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.16.6 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.16.6 (c) shall designate CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY

In the event any of CONTRACTOR'S underlying policies do not meet policy limits within the insurance requirements, CONTRACTOR shall provide coverage under the excess liability policy in 4.16.6 (d). Policy must be a follows form excess/umbrella policy. CONTRACTOR shall

provide the schedule of underlying policies for an excess liability policy, state that the excess policy follows form on the insurance certificate, and provide an additional insured endorsement for the excess liability policy designating CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY, as additional insureds.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers, for this contract and all public agencies from whom permits will be obtained and their directors, officers, agents, and employees, as determined by the CITY shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

4.17 Risk and Indemnification. All work covered by this Contract done at the site of the Project or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR agrees to save, indemnify and keep CITY, its Officers, Agents, Employees, Engineers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and 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 sole willful misconduct of CITY and will make good to reimburse CITY for any expenditures, including reasonable attorneys' fees CITY may incur by reason of such matters, and if requested by CITY, will defend any such suits at the sole cost and expense of CONTRACTOR.

4.18 Termination.

4.18.1 This Contract may be terminated in whole or in part in writing by the CITY for its convenience, provided that the CONTRACTOR is given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination. Termination of contract shall conform to Section 8-1.11 of the State of California, Department of Transportation Standard Specifications.

4.18.2 If termination for default or convenience is effected by the CITY, an equitable adjustment in the price provided for in this Contract shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due to the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the CITY because of the CONTRACTOR'S default. The equitable adjustment for any termination shall provide for payment to the CONTRACTOR for services rendered and expenses incurred in accordance with section 8-1.11 of the State of California, Department of Transportation Standard Specifications.

4.18.3 Upon receipt of a termination action under paragraph (4.18.1) or (4.18.2) above, the CONTRACTOR shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the CITY all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the CONTRACTOR in performing this Contract whether completed or in process.

4.18.4 Upon termination under paragraphs (4.18.1) and (4.18.2) above, the CITY may take over the work and may award another party an agreement to complete the work under this Contract.

4.19 Warranty. The CONTRACTOR agrees to perform all work under this Contract in accordance with the CITY'S designs, drawings and specifications.

The CONTRACTOR guarantees for a period of one (1) year from the date of the notice of completion of the work that the completed work is free from all defects due to faulty materials, equipment or workmanship and that he shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs or any damage to other parts of the system resulting from such defects. The CITY shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, the CITY may do so and charge the CONTRACTOR the cost incurred. The performance bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR'S obligations under this clause are in addition to the CONTRACTOR'S other express or implied assurances provided under this Contract and in no way diminish any other rights that the CITY may have against the CONTRACTOR for faulty materials, equipment or work.

4.20 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, *each party shall be responsible for their own attorneys' fees, costs and necessary expenses.* If any action is brought against the CONTRACTOR or any subcontractor to enforce a Stop Notice or Notice to

Withhold, which named the CITY as a party to said action, the CITY shall be entitled to all attorneys' fees, costs and necessary disbursements arising out of the defense or such action by the CITY. The CITY shall be entitled to deduct its costs for any Stop Notice filed, whether court action is involved or not.

4.21 Notices. Any notice required or permitted under this Contract may be given by ordinary mail at the address set forth below. Any party whose address changes shall notify the other party in writing.

To CITY: City of Garden Grove
 City Attorney
 11222 Acacia Parkway
 Garden Grove, California 92840

To CONTRACTOR: American Asphalt South, Inc.
 Attention: Lyle Stone, Secretary
 14436 Santa Ana Avenue
 Fontana, CA 92337

||||

(Agreement Signature Block on Next Page)

IN WITNESS THEREOF, these parties have executed this Project Agreement on the day and year shown below.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____
City Manager

ATTEST:

City Clerk

Date: _____

"CONTRACTOR"
American Asphalt South, Inc.

Contractor's State Lic. No. 784969

Expiration Date: 09/30/2016

By: [Signature]

Title: Secretary

Date: September 22nd, 2015

Tax ID No. 94-3324781

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to the CITY.

APPROVED AS TO FORM:

Omar Sandoval
Garden Grove City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

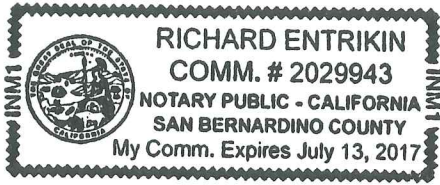
State of California }
County of San Bernardino } ss.

On Sept. 22 2015 before me, Richard Entrikin-Notary,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Lyle Stone,
Name(s) of Signer(s)

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.



WITNESS my hand and official seal.

[Signature]
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

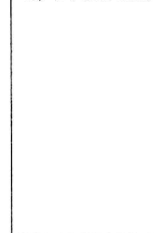
Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

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ATTACHMENT "A"

SPECIFICATIONS FOR IFB NO. S-1175

**Furnish all Labor, Material, Tools, Equipment and
Incidentals for 2015 On- Call Reclaimed Asphalt Pavement
(RAP) Slurry Seal and Asphalt Cold Milling**

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Furnish all Labor, Material, Tools, Equipment and Incidentals for 2015 On-Call Reclaimed Asphalt Pavement (RAP) Slurry Seal and Asphalt Cold Milling

SCOPE OF WORK

This is a two (2) part project for one (1) year with four (4) one-year options to renew. Both Part I and Part II **must** be included in all bids per the specifications set forth to be considered a responsive bid. The lowest responsible bid will be based on the pricing submitted for Part I.

Part I shall consist of furnishing and placing of Type II Recycled Asphalt Pavement (RAP) Slurry Seal on various streets within the City of Garden Grove on a "per square foot" basis. The annual square footage will be 3,000,000. This is for an "ON-CALL" service on various streets throughout the City and on various projects/phases throughout the term of the contract. Minimum quantities per project will be 40,000 sq. ft or the compensated equivalent of 40,000 sq. ft. per project.

Part II is for ON CALL Asphalt cold milling, pulverization, trucking, street sweeping and operator services on various streets throughout the City and on various projects/phases throughout the term of the contract.

CONTRACTOR'S LICENSE REQUIREMENTS:

Bidders shall submit at least **one of the following** current licenses with their bid proposal as required in the Technical Specification of this document and in accordance with Section 3300 of the State Code.

1. Class A-General Engineering Contractors License, or
2. C12-Earthwork and Paving Contractors, or
3. C32-Parking and Highway Improvement Contractors

PART I

SPECIAL PROVISIONS

1. WORK TO BE DONE

The work shall consist of formulating a mix design, cleaning pavement surfaces, mixing and applying a reclaimed asphalt pavement (RAP) slurry-seal surface treatment, and protecting the completed slurry seal until set. The completed slurry seal shall leave a homogenous mat, adhere firmly to the prepared surface, and have a skid resistant surface texture. All work shall be in accordance with the "Greenbook", Standard Specifications for Public Works Construction, latest edition, unless otherwise described herein. All work shall be done in a workman-like manner, within the prescribed time limits, and as directed by the engineer. As used throughout this specification, the term "Engineer" shall mean the Director of Public Works or his designated representative.

ENGINEERING AND CONTROL

Control of the work shall be in accordance with the following:

- A. The Contractor shall give twenty-four (24) hour notice, in writing, prior to requesting the City Engineer, or his designated agent's services, for laying out any portion of the work
- B. In case of conflict between the various contract documents, the order of precedence shall be as follows:
 - 1) General Conditions
 - 2) Special Provisions
 - 3) Construction Plans
 - 4) The Greenbook Standard Specifications for Public Works Construction (per latest edition)
 - 5) Caltrans Traffic Manual (per latest edition)
- C. The standard specifications shall apply to all phases of work not controlled by documents 1 through 5 above.
- D. In case of conflict between the specifications and the instructions and conditions of the invitation to bid, the specifications shall have precedence.

2. LABORATORY EVALUATION AND REPORT

General:

Before work commences, the Contractor shall submit a signed original of a mix design covering the specific materials to be used on the project. This design must have been performed by a qualified, independent laboratory. Previous lab reports covering the exact materials to be used may be accepted provided they were made during the calendar year. Once the materials are approved, no

substitution will be permitted unless first tested and approved by the laboratory preparing the mix design.

RAP Slurry Seal (Reclaimed Asphalt Pavement Slurry Seal)

GENERAL

Polymer Emulsion – Reclaimed Asphalt Pavement Slurry Seal (RAPSS) shall consist of a stable mixture of polymer modified asphalt emulsion (PMAE), reclaimed asphalt pavement(RAP), water and retarding or accelerating additives proportioned, mixed and uniformly spread over a properly prepared surface or pavement where shown on the plans, as specified in this specification, and as directed by the Engineer.

MATERIALS

The materials for slurry seal immediately prior to mixing shall conform to the following requirements

POLYMER MODIFIED ASPHALT EMULSION (PMAE)

Polymer modified asphalt emulsion shall be a quick-setting Type PMCQS-1h asphalt emulsion. The emulsion shall be homogeneous in color throughout and show no separation after thorough mixing. It shall break and set on the aggregate within 5 minutes and shall be ready for vehicular traffic in 60 minutes. The PMAE shall meet the following requirements:

TESTS ON EMULSION	TEST METHOD	TYPICAL RESULTS	SPECS.	
			MIN.	MAX
Viscosity 77°F, SFS	ASTM D244	22	15	100
Sieve test w%	ASTM D244	0.01		0.1
Residue from distillation	ASTM D244	61.5	57.0	
Particle Charge Test	ASTM D244		Positive	
TESTS ON RESIDUE FROM DISTILLATION				
Penetration 77°F, dmm	ASTM D5	52	40	90
Ductility 77°F, dmm	ASTM D113	100+	40	
Solubility in TCE, w%	ASTM D2042	99+	97.5	
Torsional Recovery, %, min.	CA332	22	18	

The polymer used in the manufacture of polymer modified asphaltic emulsions shall be at the option of the Contractor, either neoprene, or a copolymer of butadiene and styrene. The polymer shall be added to the water/soap phase by injection prior to the mill manufacture of the asphalt emulsion. The amount of polymer solids shall be three percent (3%) of the asphalt residual content and shall be certified by the emulsion producer on each load of emulsion delivered to the job site. Samples of polymer may be required and shall conform to the following requirements.

Test	Requirement
Total Solids, min %	60
Bound Styrene %	24 – 60
pH at 25 Degrees C	4.2 – 5.2
Brookfield Viscosity RVT	1000 – 4000
Residual Monomer %	0.08 max.

RAP AGGREGATE

RAP Aggregate shall consist of sound, durable, milled and/or crushed reclaimed asphalt pavement. The material shall be free from vegetable matter, loop wires, paving fabric, crushed concrete, brick and other deleterious substances. When tested in accordance with ASTM C136 and ASTM C117 the percentage composition by weight of the RAP shall conform to the following grading:

Sieve Size	Percent Passing ¹	Percent Passing ²
3/8" (9.5 mm)	100	100
No. 4 (4.75mm)	95-100	95-100
No. 8 (2.36 mm)	65-85	70-90
No. 16 (1.18 mm)	35-60	50-75
No. 30 (600 um)	18-38	35-55
No. 50 (330 um)	8-25	22-40
No. 100 (150 um)	5-20	13-38
No. 200 (75 um)	2-12	10-20
Residual Asphalt Content ³		6.5% Min. (Based on dry weight of aggregate)

1. On unextracted RAP.
6307.

2. On extracted RAP.

3. Determined by Binder Ignition ASTM

The RAP shall conform to the following quality requirements:

Test	Test Method	Requirement
Sand Equivalent	ASTM D2419	60 Min.
Durability Index		55 Min.
Soundness	ASTM C88	15% Max. Using Na_2SO_4 *
Abrasion Resistance	ASTM C131	35% Max. After 500 Revolutions. *

* On RAP Source Retained on Number 4 Sieve.

WATER

Water shall be potable, free of harmful soluble salts and shall be of such quality that the asphalt will not separate from the emulsion before the slurry seal is in place.

ADDITIVES

Additives may be used, as approved by the Engineer to accelerate or retard the break-set of the slurry seal or to improve the resulting surface.

MIX DESIGN

At least 7 working days before slurry seal placement commences, a certified job mix design shall be submitted by the Contractor for approval by the Engineer that conforms to the specification limits, and that is suitable for the traffic, climate conditions, curing conditions and final use. The report shall clearly show the proportions of reclaimed asphalt aggregate, water (min. and max.), additive(s) (usage) and asphalt emulsion based on the dry weight of the reclaimed asphalt aggregate. A laboratory capable of performing the applicable International Slurry

Seal Association (ISSA) tests shall perform the tests and mix design. All components used in the mix design shall be representative of the materials proposed by the Contractor to be used on the project. The proposed slurry seal mixture shall conform to the requirements specified when tested in accordance with the following tests:

Test	ISSA Test Method	Requirement
Wet Track Abrasion Loss g/m ² (g/ft ²)	TB100	650 max.(60)
Slurry Seal Consistency (mm)	TB106	30 max.
Wet Stripping	TB114	Pass (90% min.)
Mix time	TB113	Controllable to 180 seconds min. at the maximum expected air temperature at the site during application.
Wet Cohesion Test (kg-mm)	TB139	120 at 30 minutes minimum

The component materials shall be within the following limits:

Component	Amount
Emulsion	10.0% - 14.0%
Residual Asphalt	12.5% min.
Additives	As needed.
Water	As needed to achieve proper mix consistency.

Water, and retarder if used, shall be added to ensure proper workability and permit uncontrolled traffic on the slurry seal within 1 hour after placement without the occurrence of bleeding, raveling, separation or other distress.

MIXING AND SPREADING EQUIPMENT

The slurry seal shall be mixed in a self-propelled mixing machine equipped with sufficient storage capacity for the recycled asphalt aggregate, polymer modified asphalt emulsion, additives and water. The mixing machine shall be equipped with individual volume or weight controls for automatically proportioning and accurately delivering in proper sequence the material to a continuous flow pug mill for mixing. Each material control device shall be calibrated, properly marked, preset and lockable at the direction of the Engineer. Calibrated flow meters shall be provided to measure both the addition of water and asphalt emulsion to the pug mill. Concrete transit mixer trucks shall not be used.

The slurry mixture shall be uniformly spread by means of a controlled spreader box. The spreader shall be capable of spreading a traffic lane width and shall have strips of flexible rubber belting or similar material on each side of the spreader box and in contact with the pavement to prevent loss of slurry from the box. The box shall have baffles, or other suitable devices, to insure uniform application on super-elevated sections and shoulder slopes. The rear flexible strike-off blade shall make close contact with the pavement and shall be capable of being adjusted to the various crown shapes so as to apply a uniform slurry seal. The spreader box shall be maintained in such a manner as to prevent chatter (wash boarding) or other surface defects that will affect the esthetic value of the finished slurry seal mat. The mixing machine shall be equipped with a water pressure system and nozzle type spray bars

to provide a water spray immediately ahead of the spreader box.

PLACING

The slurry seal shall be placed only when the atmospheric temperature is at least 50oF (10oC) and rising. The mixture shall not be applied if high relative humidity prolongs the curing beyond a reasonable time. Slurry seal shall not be placed on the surface of a street after 4:00 p.m. of the workday, unless otherwise authorized by the Engineer. The slurry seal shall be placed at an application rate of 12 to 15 pounds per square yard.

Areas, which cannot be reached by the spreader box, shall be surfaced with hand squeegees to provide complete and uniform coverage. The area to be hand worked shall be lightly dampened prior to mix placement. The same type of finish as applied by the spreader box shall be required.

Prior to the slurry sealing operations, the Contractor shall remove all existing thermoplastic striping, legends and raised pavement markers within the slurry seal limits and apply temporary tabs where striping removal has taken place.

Immediately prior to the slurry sealing operations, the Contractor shall sweep the entire surface with vacuum assisted power brooms or other means necessary to remove all loose particles of paving, all dirt and all other extraneous material.

Before slurry seal operations, all manholes covers, flush inlet covers, monument covers and all other utility covers to remain shall be protected by covering the surface with an appropriate paper or plastic sheeting, cut to fit or by other methods approved by the Engineer. All traces of the cover and slurry seal shall be removed by the end of the same workday. The joint between the edge of the pavement and the concrete gutter shall be sealed by the slurry seal by overlapping the concrete gutter edge and concrete gutter no more than one (1) inch.

The Contractor shall not use sand on the fresh slurry seal for vehicle crossings at intersections and at driveways. The edges of the limits of the slurry seal application on both sides of the street shall be maintained in a neat and uniform line. The Contractor shall refrain from using diesel fuel, gasoline or solvents of any kind for cleaning tools and equipment in such a manner as to permit spillage of the diesel fuel or solvent on new or existing pavement, curbs and gutters, parkways or other improved areas.

The applied RAP slurry seal shall be rolled with a minimum of three passes with a pneumatic roller prior to opening to traffic.

At least 2 days prior to the beginning of slurry seal operations, the Contractor shall notify all affected property owners, residents, businesses and agencies by an approved, written notice detailing streets and limits of work to be done and the hours of work. The Contractor shall, prior to the beginning of slurry seal operations, post all streets that are to be worked upon with approved "No Parking - Tow Away" signs

at 100 feet intervals. These shall also state the day of the week and hours of no parking.

Hand tools shall be available in order to remove spillage. Ridges or bumps in the finished surface will not be permitted. The mixture shall be uniform and homogeneous after spreading on the existing surface and shall not show separation of the emulsion and aggregate after setting.

Adequate means shall be provided to protect the slurry seal from damage from traffic until such time that the mixture has cured sufficiently so that the slurry seal will not adhere to and be picked up by the tires of the vehicles. Basis for rejection of improperly placed slurry seal includes, but is not limited to, striation of surface, "balling" of material due to quick-set and tracks of unauthorized vehicles, bicycles and pedestrians.

MEASUREMENT and PAYMENT

Slurry seal will be measured and paid for by the square foot and predicated upon the proper spread rate per ton. The contract price paid per square foot for slurry seal shall include full compensation for furnishing all labor, materials, tools, equipment and incidentals and for doing all the work involved in the furnishing and placing of the slurry seal complete in place, including cleaning the surface and protecting the slurry seal until it has set, as specified in these specifications and as directed by the Engineer.

3. EQUIPMENT

General:

Prior to the award of the contract, the apparent successful bidder shall allow inspection, by City personnel, of the vehicles designated for the project. Those vehicles that pass inspection will have their I.D. numbers recorded and will be the only vehicles allowed to work on the project. Quality and safety of equipment will have a bearing on the award of the contract.

All equipment, tools and machines used in the performance of this work shall be maintained in satisfactory working order at all times.

4. MACHINE CALIBRATION, VERIFICATION AND APPLICATION RATE

Weight Scales:

The Contractor shall provide a scale or appropriate weighing device at the project site or an alternate site approved by the City. The weighing device shall show the net weight of the aggregate bins on each slurry machine before the machine and product will be approved for applying slurry on the project.

Calibration:

Each slurry mixing unit to be used in performance of the work shall be calibrated in the presence of the Engineer prior to construction. Previous calibration documentation covering the exact materials to be used may be accepted provided they were made during the calendar year. The documentation shall include an individual calibration of each material at various settings, which can be related to the machine's metering device(s). No machine will be allowed to work on the project until the calibration has been completed and/or accepted.

7. LIMITATIONS

Weather:

Slurry shall not be applied when the atmospheric temperature is less than 50°F (10°C). The mixture shall not be applied when weather conditions prolong opening to traffic beyond a reasonable time.

Work Hours:

Once work has started, the Contractor shall diligently perform the work to completion.

No sealant shall be applied before 7:30 AM and must be able to support traffic by 4 PM.

The legal work day shall consist of eight (8) hours, 7:30 AM to 4 PM. Should the Contractor receive permission from the Engineer to work overtime, all inspection costs as a result of the Contractor's overtime work shall be paid by the Contractor.

The Garden Grove Police Department has been enforcing weight limits on slurry seal equipment requiring the operators to strike off the load. Overweight permits will be made available but will only apply to the City of Garden Grove streets.

8. NOTIFICATION, POSTING AND SCHEDULE CHANGES

Notification and Posting: The City shall deliver "*Notice to Residents*" 48 hours prior to the sealing of the street. **The posting of "No Parking Tow Away" signs 48 hours prior to sealing, and their subsequent removal, will be performed and provided by the Contractor. All "No Parking Tow Away" signs must include the appropriate G.G Municipal code on them. Examples will be provided to the successful bidder.** When these signs are removed by wind, vandals, or any other reason during the course of the slurry operation, the Contractor shall repost them at no cost to the City.

At least ten (10) working days prior to commencing work, the Contractor shall submit his spreading schedule based on allowing residents ample on-street parking within an 800-foot distance from their homes and customer access to

businesses. IT IS SUGGESTED THAT THE FIRST DAY'S SPREADING SCHEDULE BE CURTAILED SOMEWHAT TO ALLOW FOR USUAL START-UP DELAYS, TEST STRIPS, ETC.

Schedule Changes: Requests for changes in the schedule shall be submitted by the Contractor to the City for approval at least 48 hours prior to the scheduled sealing of the streets affected. Failure to meet the notified schedule requires that the contractor immediately notify residents of the cancellation for the day's work and reschedule seal coating of affected area. The Contractor shall then resubmit Notice to Residents 24 hours prior to sealing of street. The Contractor may use the sample letter or submit his own letter for prior approval to the City.

9. RESPONSIBILITY

Construction activity best management practices shall be adhered to at all times. Construction activity shall be in compliance with the City of Garden Grove Local Implementation Plan.

The City will perform preliminary crack sealing and patching.

The City will be responsible for the advance notification of residents and businesses.

The City will re-stripe all traffic and pavement markings at no cost to the Contractor.

The City will supply the necessary water to the Contractor without cost.

The Contractor will sweep the streets to be sealed prior to applying slurry.

The Contractor will place barricades, delineators, signs, flashers, and traffic control devices.

The Contractor will provide flagmen while Contractor slurry operations are in progress.

The City of Garden Grove shall not be held responsible for the care or protection of any material or parts of the work prior to the Final Acceptance.

The Contractor shall, at the direction of the Engineer, repair and reseal all areas of the streets which have not been sealed properly or completely at no cost to the City.

The Contractor shall furnish on the job site, port-o-let rest room facilities for the use of all employees for the duration of the project.

10. TRAFFIC CONTROL

Maintenance of Traffic:

Whenever a street must be closed for any reason or for ANY length of time, the Contractor shall furnish to the engineer a written traffic control plan detailing all detours, where detour signs and/or any other traffic control device will be located and overall course of action. This will be in addition to following the WATCH handbook protocol per the standard specifications. The engineer has final approval rights or denial of said traffic control plan.

The Contractor shall accomplish all work so that at least one 10' (ten foot) lane shall remain open in each direction on major streets.

The Contractor shall be required to provide and maintain all necessary flagmen. The Contractor will provide all necessary traffic control devices.

It is mutually understood that traffic control is paramount in the successful application and cure of crumb rubber asphalt slurry seal, as herein described, and further that the contractor shall have full responsibility to provide adequate means to insure proper protection of the applied slurry seal. Adequate means shall be provided to protect the slurry seal from damage by traffic for a minimum of three hours after application or until such time that the mixture has cured sufficiently so that the slurry seal will not adhere to and be picked up by the tires of vehicles. When doing arterial streets, 4' delineators at a maximum of 100' intervals, connected by twine and hanging streamers shall be used. The City shall supply and maintain an illuminated arrow board device in advance of all work sites on arterial highways or when designated by the Public Works Director or duly appointed representative.

When necessary to provide vehicular or pedestrian crossing over and/or through the fresh slurry, the Contractor shall furnish and spread sufficient black sand to eliminate tracking or damage to the slurred mixture or to adjacent property. If sand is applied at intersections over fresh slurry for access, the Contractor shall post "*Loose Gravel*" construction signs. Signs shall be posted from commencements of slurry until all sand has been cleaned from the roadway. The Contractor shall remove all sand by sweeping within 24 hours after opening the street to traffic.

Should the Contractor fail to furnish sufficient precautionary traffic control (flagmen) within one (1) hour after notification by the City, the City shall place the necessary items or personnel and the Contractor shall be billed for said items or personnel.

11. PREPARATION OF THE SURFACE

Construction activity best management practices shall be adhered to at all times. Construction activity shall be in compliance with the City of Garden Grove Local Implementation Plan.

General:

Surface oil and grease shall be removed or sealed with emulsified gilsonite or an equivalent material approved by the Engineer before the application of the slurry seal.

Prior to applying slurry, all vegetation shall be sprayed with Roundup and removed from cracks in the pavement and joints between the pavement and concrete gutters by the City.

Manholes, valve boxes, drop inlets and other service entrances will be protected from the slurry seal by a suitable method by the Contractor. The Engineer shall approve the surface preparation prior to sealing.

Street Sweeper:

Contractor shall furnish a power street sweeper with operator to clean immediately after any wet sandblasting for paint removal; to clean the asphalt pavement the same day the street is sealed; and when necessary, as deemed by the engineer, sweep the streets showing raveling and/or loose slurry aggregate after the slurry seal has set. The sweeper shall have a steel gutter broom and a rear plastic broom, and three (3) yard minimum capacity hopper. If water is used, cracks will be allowed to dry thoroughly before slurry sealing. The Engineer shall approve the surface preparation prior to sealing.

Manholes, valve boxes, drop inlets and other service entrances will be protected from the slurry seal by a suitable method. The Engineer shall approve the surface preparation prior to sealing.

12. APPLICATION

General:

The surface should be pre-wetted by fogging ahead of the slurry box when required by local conditions. Water used in pre-wetting the surface shall be applied such that the entire surface is damp with no apparent flowing water in front of the slurry box. The rate of application of the fog spray shall be adjusted during the day to suit temperatures, surface texture, humidity and dryness of the pavement surface.

The slurry mixture shall be of the desired consistency upon leaving the mixer and no additional materials shall be added. A sufficient amount of slurry shall

be carried in all parts of the spreader at all times so that a complete coverage is obtained. Overloading of the spreader shall be avoided. No lumping, balling or unmixed aggregate shall be permitted. In placing slurry, the slurry machine shall move no faster than 150' a minute, or when chatter marks appear.

No streaks, such as those caused by oversized aggregate, will be left in the finished surface. If excess oversize develops, the job will be stopped until the Contractor proves to the Engineer that the situation has been corrected.

Where the completed slurry is not uniform in color, the street shall be treated to eliminate the color variation at the Contractor's expense. The method of treatment shall be approved by the City.

Slurry Crew:

Each slurry crew shall be composed of a English-speaking coordinator at the project site at all times, a competent quick-set mixing man, a competent licensed driver, two (2) squeegee men, and sufficient laborers for any handwork, cleanup, and traffic control.

Joints:

No excessive buildup, uncovered areas or unsightly appearance shall be permitted on longitudinal or transverse joints. An excessive overlap will not be permitted on longitudinal joints. The Contractor shall provide suitable width spreading equipment to produce a minimum number of longitudinal joints throughout the project. When possible, longitudinal joints shall be placed on lane lines. Half passes and odd width passes will be used only in minimum amounts. If half passes are used, they shall not be the last pass of any paved area.

Mix Stability:

The slurry mixture shall possess sufficient stability so that premature breaking of the slurry seal in the spreader box does not occur. The mixture shall be homogeneous during and following mixing and spreading, it shall be free of excess water or emulsion and free of segregation of the emulsion and aggregate fines from the coarser aggregate.

Hand Work:

Areas which cannot be reached with the slurry seal machines shall be surfaced using hand squeegees to provide complete and uniform slurry seal coverage. The area to be handworked shall be lightly dampened prior to mix placement and the slurry worked immediately. Care shall be exercised to leave no unsightly appearance from handwork or to overwork the mix. The same type finish as applied by the spreader box shall be required. Handwork shall be completed during the machine applying process.

Lines:

Care shall be taken to insure straight lines along curbs and shoulders. No runoff other than one (1) inch overlap at gutter line will be permitted. Lines at intersections will be kept straight to provide a good appearance. All Type II Reclaimed Asphalt Pavement (RAP) Slurry Seal shall be applied at a minimum distance of six (6) inches and a maximum of twelve (12) inches from the gutter faces of all residential streets or as directed by the City. Payment will be based upon the actual square feet applied. Care shall be taken to keep strike plates and/or final smoothing apparatus clean so as to eliminate drag marks, balling or lumping of finished slurry. Failure to do so shall be grounds for rejection and re-work will be at sole cost of contractor.

Clean-up:

All areas, such as manways, gutters and intersections, shall have the slurry seal removed as specified by the Engineer. The contractor shall remove any debris associated with the performance of the work, on a daily basis.

Raised Pavement Markers and Reflectors:

Most streets have pavement markers and reflectors, which will be protected and cleaned by the Contractor to original state by water and soap immediately behind slurry spreader box. A backpack sprayer with sufficient volume and pressure to clean the wet slurry off pavement marker and reflector without damaging surrounding slurry mixture shall be used.

Utilities:

Contractor shall protect and clean all utilities to original state.

Any manhole cover, water valve cover, utility vault cover and/or drainage facility cover found to be inadequately protected and/or cleaned shall be cleaned by means such as sandblasting to remove all slurry material (including material remaining from previous applications) from the metal surface or it shall be replaced by the Contractor at its expense.

13. QUALITY CONTROL

Mix Design:

Refer to section 600-3 of the Standard Specifications.

Materials:

The Engineer may use the recorders and measuring facilities of the slurry seal unit to determine application rates, asphalt emulsion content, mineral filler and additive(s) content for an individual load.

It is the responsibility of the Contractor to check stockpile moisture content and to set the machine accordingly to account for aggregate bulking.

Non-Compliance:

If any two successive tests fail on the stockpile material, the job shall be stopped. It is the responsibility of the contractor, at his own expense, to prove to the Engineer that the conditions have been corrected. If any two successive tests of the mix from the same machine fail, the use of the machine shall be suspended. It will be the responsibility of the contractor, at his own expense, to prove to the Engineer that the problems have been corrected and that the machine is working properly.

14. ADDITIONAL COMPENSATION

Contractor may receive additional compensation for material increases based upon The California Statewide Paving Asphalt Price Index when an increase in materials exceeds five percent (5%) for the month in which bid opening for the project occurred. To exercise this option the Contractor must notify the City of its intent by Certified mail prior to initializing any portion of the project(s) affected by the proposed material cost increase(s). The City shall then have the option of increasing the rate of compensation, decreasing the scope of work, or terminating the agreement.

15. PAYMENT

The slurry seal shall be paid at the contract price per square foot of work completed and accepted by the Engineer. The minimum project will be 40,000 sq. ft. In the event that less than 40,000 sq. ft. has been scheduled and requested by City, Contractor shall receive compensation for 40,000 sq. ft. The contract unit price paid for slurry seal will be considered full compensation for furnishing all labor for, protecting and cleaning all utilities and pavement markers, tools, equipment and incidentals and for doing all work involved in constructing the slurry seal, complete in place, per project, as specified in these specifications and as directed by the Engineer.

16. GUARANTY

The Contractor shall guaranty the work against defective material or workmanship for a period of one year from the date of completion of the contract.

When defective material and/or workmanship are discovered which require repairs to be made under this guaranty, all such work shall be done by the

Contractor at his own expense within ten (10) days after written notice of such defects has been given to him by the City. Should the Contractor fail to repair such defective material or workmanship within ten (10) days thereafter, the City may cause the necessary repairs to be made and charge the Contractor with the actual cost of all labor and materials required. In emergencies demanding immediate attention, the City shall have the right to repair the defect and charge the Contractor with the actual cost of all labor and material required. Any repair work performed as herein specified shall be done under the provisions of the original contract specifications.

The Contractor shall arrange to have his Faithful Performance Bond run for a period of one year after the date of completion of the contract to cover his guaranty as set forth above.

END PART ONE

OPTION A

PURPOSE

The purpose of this contract is to provide comprehensive ON CALL; ASPHALT COLD MILLING, PULVERIZATION, TRUCKING, STREET SWEEPING and OPERATOR SERVICES for the City of Garden Grove. The City proposes to contract with a service agency that is proactive in their work standards and can meet the qualifications and specifications as set forth. The selected contractor shall provide cold milling machines and operators at the various proposed width(s). The cold milling machines must have a conveyor capable of loading ten-yard dump trucks.

The City will provide construction surveying and staking.

1. Technical Specifications

- a. Work described, as being performed daily shall be performed Monday through Friday between the hours of 7:30 a.m. to 5:00 p.m. unless otherwise authorized. The driver's/operator's start time begins upon arrival at the job site, at the scheduled time given to start the work day. The driver's/operator's stop time is when the onsite Project Manager signs the driver's/operator's time sheet.
- b. The determination of the total daily productive man-hour requirements for the performance of all services herein is the sole responsibility of the successful Contractor. It is of the utmost importance that the Contractor utilizes skilled and productive manpower in order to satisfactorily furnish the required level of service. Failure on the part of the Contractor to utilize skilled and production manpower may produce unsatisfactory results which may cause the Director of Public Works to make adjustment to the Contractor's invoice(s) for unsatisfactory or omitted work.
- c. The Contractor shall comply with applicable OSHA and Federal regulations under DFR 29; Section 1910.12 for proper training and by providing Material Safety Data Sheets proposed for use within ten (10) days of award of contract.
- d. All equipment, cold milling machines, pulverizers, dump trucks & high dump sweepers, and their operators are required to be available within a five (5) working day notification.
- e. Operators must be prepared to plane all thicknesses of asphalt and similar materials on various City streets. City crew leader and/or supervisor responsible for the grinding operation can continually evaluate the performance of the grinders and operators. Termination of services can occur if the operators are not performing to the satisfaction of the City inspector and/or designee.
- f. Rental of the cold milling machines and operators will be for a minimum of four (4) hours per day, include weekday-operating hours, but will not include down time for maintenance or repair. All equipment is to be

provided with fuel, teeth and all other incidentals for the proper operation of each piece of equipment.

- g. Move on/move off charge will be included in the hourly rate for each piece of equipment excluding a high dump street sweeper.

2. Personnel

- a. All Drivers are to hold a Class "A" Commercial Driver's License issued in the State of California with proper endorsement to operate equipment, trucks or transport trucks driven within the City of Garden Grove. The driver must have his/her valid license with proper endorsements in his/her possession while performing on the job for the City. They will adhere to all code standards of the City, EPA and any other State or Federal requirements.
- b. EXPERIENCE: Equipment operators must have five (5) years of continuous experience in milling or pulverizing operation and hold appropriate licenses.

3. Equipment

- a. All cold milling machines and/or pulverizers, excluding "mini-Planer" must be a track mounted machine. **Wheel mounted machines shall not be used.**
- b. The cost of breakdowns is difficult to calculate, therefore all cold milling machines or pulverizers must have a manufacture date of 5 years or newer, be in sound mechanical condition and verifiable at any time by a City of Garden Grove Vehicle Maintenance Supervisor to insure they meet all appropriate standards.
- c. If at any time a cold milling or pulverizing machine breaks down on two consecutive days, a new machine from the same category must be used unless certified mechanics documentation can be provided showing all necessary repairs have been completed.

4. Local Office

- a. The selected contractor shall maintain a local office within a 60 mile radius of the City of Garden Grove limits and shall have a competent English-speaking representative available during working hours to discuss matters pertaining to the contract and who can make authoritative decisions.
- b. At all times during the term of this contract the contractor shall provide the City with a twenty-four (24) hour per day, seven (7) day per week emergency phone number. An answering service is not acceptable, except when forwarding oral complaints (which shall be followed by written notice)

The pricing for hourly rate for the equipment listed below must be included and individually priced on the PRICING PROPOSAL ATTACHMENT "B" in order for your bid to be considered responsive. It will be at the sole discretion of the City as to which machine(s) will be utilized at each location throughout the term of the contract. If there is discrepancy as to which machine is considered "equal" to machines listed and named henceforth, the listed machine shall be provided.

Cold Plane Equipment

2' wide Mini-Planer
Cat 262c or equal Per hour \$ _____

3' Front Loading Planer
Wirtgen 120FCS or equal Per hour \$ _____

4' Front Loading Planer
Wirtgen 120FCS or equal Per hour \$ _____

5' Front Loading Planer
Wirtgen W150 or equal Per hour \$ _____

6' Front Loading Planer
Roadtec RX600 or equal Per hour \$ _____

7' Front Loading Planer
Roadtec RX600 or equal Per hour \$ _____

8.5' Front Loading Planer
Roadtec RX600 or equal Per hour \$ _____

12' Front Loading Planer
CMI 1200 or equal Per hour \$ _____

Street Sweeper Per hour \$ _____

10 cy Dump Truck
Super 10 or equal-Per truck Per hour \$ _____

Pulverizers and Mixing

8' Pulverizer
Wirtgen 240i or equal Per hour \$ _____

8' Pulverizer/Mixer
Wirtgen 240i or equal Per hour \$ _____

Spreader Truck Per hour \$ _____

ATTACHMENT "B" (BID PROPOSAL)

SECTION 2 - PROPOSAL

THE HONORABLE MAYOR AND CITY COUNCIL
CITY OF GARDEN GROVE
11222 ACACIA PARKWAY
GARDEN GROVE, CALIFORNIA 92840

To: THE HONORABLE MAYOR AND CITY COUNCIL

The undersigned having carefully examined the Plans and Specifications to: Furnish All Labor, Material and Equipment for On-Call Reclaimed Asphalt Pavement Slurry Seal (RAP) at Various Locations for the City of Garden Grove.

Lead-time for this service is critical. CONTRACTOR agrees to commence the Project with TEN (10) calendar days from the date set forth in the "Notice to Proceed"

Note: On-Call" Slurry Seal Service at various City of Garden Grove Locations and will be on an as-needed basis. Quantities indicated are the City's best estimate of the total quantities required during the performance period, but actual quantities required may be greater or less than those indicated below. Therefore the successful bidder shall agree to hold quoted prices firm during the performance period, whether total purchase quantities are greater or less than the quantities estimated.

Lead-time for this service is critical. CONTRACTOR agrees to commence the Project with TEN (10) calendar days from the date set forth in the "Notice to Proceed"

HEREBY PROPOSE to furnish all labor, materials, equipment and transportation, and do all the work required to complete work in accordance with the Plans and Specifications for the sum of:

BID PROPOSAL (TYPE II RAP)

PART I:

Item No.	Estimated Quantity	Unit Price	Extended Total Cost
1	3,000,000 Sq. Ft. per year	\$ <u>0.1588</u> /Sq. ft.	\$ <u>476,400.00</u>
Total Cost for PART I:		\$ <u>476,400.00</u>	

The lowest responsible bid will be awarded based on the pricing in PART I above for furnishing and placing of the Type II Recycled Asphalt Pavement (RAP) Slurry Seal on various streets within the City of Garden Grove on a "per square foot" basis. The City reserves the right to include Option A as part of the contract.

Partial bids will not be accepted. Your bid must include pricing for both PART I and OPTION A in order for your bid to be considered responsive.

ATTACHMENT "B"
(BID PROPOSAL) CONTINUED

**OPTION A: ON CALL: ASPHALT COLD MILLING, PULVERIZATION, TRUCKING,
STREET SWEEPING and OPERATOR SERVICES for the City of Garden Grove**

The following equipment list must be included and individually priced on all bids to be considered responsive. It will be at the sole discretion of the City as to which machine(s) will be utilized at each location throughout the term of the contract. If there is discrepancy as to which machine is considered "equal" to machines listed and named henceforth, the listed machine shall be provided.

Cold Plane Equipment

2' wide Mini-Planer Cat 262c or equal	Per hour \$ <u>398.20</u>
3' Front Loading Planer Wirtgen 120FCS or equal	Per hour \$ <u>577.50</u>
4' Front Loading Planer Wirtgen 120FCS or equal	Per hour \$ <u>531.30</u>
5' Front Loading Planer Wirtgen W150 or equal	Per hour \$ <u>622.60</u>
6' Front Loading Planer Roadtec RX600 or equal	Per hour \$ <u>709.50</u>
7' Front Loading Planer Roadtec RX600 or equal	Per hour \$ <u>709.50</u>
8.5' Front Loading Planer Roadtec RX600 or equal	Per hour \$ <u>770.00</u>
12' Front Loading Planer CMI 1200 or equal	Per hour \$ <u>1,210.00</u>
Street Sweeper	Per hour \$ <u>207.90</u>
10 cy Dump Truck Super 10 or equal-Per truck	Per hour \$ <u>102.80</u>

Pulverizers and Mixing

8' Pulverizer Wirtgen 240i or equal	Per hour \$ <u>770.00</u>
8' Pulverizer/Mixer Wirtgen 240i or equal	Per hour \$ <u>770.00</u>
Spreader Truck	Per hour \$ <u>550.00</u>

It is understood and agreed that:

- (a) No verbal agreement or conversation with any officer, agent or employee of CITY, either before or after the execution of the Agreement shall affect or modify any of the terms or obligations of this Proposal.
- (b) CITY will not be responsible for any errors or omissions on the part of the undersigned in making up his bid, nor will bidders be released on account of errors.
- (c) The undersigned hereby certifies that this Proposal is genuine and is not sham or collusive, or made in the interest or in behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other bidder:
- (d) The Bidder acknowledges receipt of amendments to the Solicitation and related documents numbered and dated:

Amendment No.

Date

_____	_____
_____	_____
_____	_____

- (e) undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other bidder.
- (f) The Bidder acknowledges receipt of amendments to the Solicitation and related documents numbered and dated:

Amendment No.

Date

_____	_____
_____	_____
_____	_____

- (e) The undersigned is licensed in accordance with the Laws of the State of California.

Check below where appropriate:

Partnership: That _____ are partners, doing
(Names of all Partners)
business under the firm name of _____ and that
the co-partnership makes the accompanying proposal.

Corporation: That Lyle Stone of American Asphalt South, Inc. makes
(President or Secretary) (Name of Corporation)
the accompanying proposal.

Individual: That _____ is the bidder and makes the
(Name of Individual)
accompanying proposal.

Date: 09/14/2013 American Asphalt South, Inc.
Company Name
14436 Santa Ana Avenue
Address
Pomona, CA 92337
City - State - Zip
(909) 427-8276
Telephone
784969 A
Calif. Contractors Lic. No.
American Asphalt South, Inc. Lyle Stone
Bidder's Name (Please Print)
Lyle Stone
Authorized Signature