

**SUBMITTAL TO THE RIVERSIDE COMMUNITY
HOUSING CORP. BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 14.1
(ID # 19299)

MEETING DATE:
Tuesday, December 06, 2022

FROM : RIVERSIDE COMMUNITY HOUSING CORP.:

SUBJECT: RIVERSIDE COMMUNITY HOUSING CORP (RCHC): Approve and Accept the Lowest Bid and Award the Contract to Direct AC, Inc. for the HVAC Replacement Project at the Dr. Clair S. Johnson Apartments in Mecca; Approve the HVAC Equipment Installation Contract; District 4. [Total Cost \$256,780; up to \$25,678 in additional compensation; Building Operation Funds 100%]; CEQA and NEPA Exempt.

RECOMMENDED MOTION: That the Board of Directors:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15061 General Rule "Common Sense" Exemption;
2. Find that the project is a categorically excluded activity (subject to Title 24 Code of Federal Regulations (CFR) Section 58.5) and meets the conditions specified for such exemption pursuant to Title 24 CFR Section 58.35(a) and in accordance with the National Environmental Policy Act (NEPA) of 1969;

Continued on page 2

ACTION:Policy

Heidi Marshall, Director of Housing, Homelessness Prevention 10/20/2022

MINUTES OF THE BOARD OF DIRECTORS

On motion of Director Spiegel, seconded by Director Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Hewitt, and Perez
Nays: None
Absent: None
Date: December 6, 2022
xc: RCHC

Kecia R. Harper
Clerk of the Board

By:
Deputy

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RECOMMENDED MOTION: That the Board of Directors:

3. Approve and Accept the low bid by Direct AC, Inc. as the lowest responsive and responsible bidder in the amount of \$256,780 for the HVAC Replacement Project of the Dr. Clair S. Johnson Apartments located at 91-400 Seventh Street, Mecca, CA 92254;
4. Approve and Award the HVAC Equipment Installation Contract to Direct AC, Inc. for the HVAC Replacement Project at Dr. Clair S. Johnson Apts. (Contract) and a total amount of \$256,780, subject to approval by General Counsel; and Authorize the Chief Operation Officer of RCHC, or designee, to sign the Contract on behalf of RCHC;
5. Approve the construction project budget for the HVAC Replacement Project in the total amount of \$282,458;
6. Authorize the Chief Operating Officer of RCHC, or designee, to take all necessary steps to implement and accomplish the Contract, including but not limited to, signing all administrative documents, change orders and addendums to the Contract to facilitate successful completion of the project, subject to approval as to form by General Counsel; and
7. Direct RCHC staff to file the Notice of Exemption with the County Clerk within five business days of approval.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$282,458	\$0	\$282,458	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Building Operation Funds 100%			Budget Adjustment: No	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Riverside Community Housing Corp. (RCHC) owns, operates, and maintains the apartment building known as the Dr. Clair S. Johnson Apartments (Property) located at 91-400 Seventh Street, Mecca, CA, 92254. Originally built on this site in 1986, several of the Property's HVAC units now require replacement. The proposed project will completely remove all forty (40) of the old HVAC units on the Property and replace them with new Energy Star rated HVAC units.

RCHC advertised an Invitation for Bids (IFB) No. 2022-002 for the HVAC Renovation project at the Property with a closing date of August 30, 2022. RCHC received and opened

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two bids. Direct AC, Inc. was the lowest bidder that responded to the solicitation that was identified as both responsible and responsive.

RCHC staff recommends that the Board of Commissioners approve and award the Renovation Contract between the HACR and Direct AC, Inc. in the amount of \$256,780 and approve the construction project budget as follows:

HVAC Replacement Contract	\$256,780
Contingency (10%)	\$25,678
Total:	\$282,458

A 10% construction contingency in the amount of \$25,678 has been included in the project budget to account for errors and omissions in the construction documents or changes in the scope of the project due to unforeseen repairs or site conditions.

RCHC staff reviewed the submitted bid and determined that Direct AC, Inc. was the lowest responsive and responsible bidder. General Counsel has reviewed the Contract and has approved it as to form.

California Environmental Quality Act (CEQA) and NEPA Findings:

This project will replace all of the old HVAC units on the same site, within the confines of the Property. The project is exempt from CEQA pursuant to Section 15301 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the replacement of the existing HVAC units. There will be no expansion of the existing use of the Property, which is currently residential use. Additionally, the project is exempt from CEQA pursuant to Section 15061 as there is no possibility the HVAC Replacement project will have a significant impact on the environment. Finally, this project is also a categorically excluded activity (subject to Title 24 Code of Federal Regulations (CFR) Section 58.5) and meets the conditions specified for such exemption pursuant to Title 24 CFR Section 58.35(a) and in accordance with the National Environmental Policy Act of 1969.

Impact on Residents and Businesses

Approving this item will have a positive impact on the citizens and businesses of Riverside County. The proposed project is expected to generate temporary construction jobs. Additionally, the project will protect RCHC clients by providing them with new HVAC units. This improvement will positively impact the overall health of residents and clients and improve the surrounding neighborhood.

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SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund; the project will be fully funded from RCHC's Building Operation Funds.

Contract History and Price Reasonableness

RCHC advertised an Invitation for Bids (IFB) No. 2022-002 with a bid opening date of August 30, 2022. Two bids were received and Direct AC, Inc. was the lowest bidder and was found to be responsive and responsible. The cost proposed by the lowest bidder at \$256,780 compares well with the other proposed amounts and is deemed to be appropriate, fair, and reasonable. Staff reviewed the submitted bid and determined that Direct AC, Inc. was the lowest responsive and responsible bidder.

Attachments:

- Attachment A: Renovation Contract (3)
- Attachment B: Payment and Performance Bonds
- Attachment C: Insurance Documentation
- Attachment D: Notice of Exemption


Erianna Lontajo, Principal Management Analyst 11/30/2022


Kristine Bell-Valdez, Supervising Deputy County Counsel 11/23/2022

COPY
Staff to file

NOTICE OF EXEMPTION

November 22, 2022

Project Name: HVAC Replacement Project at Dr. Clair S. Johnson Apartments

Project Number: 2022-002

Project Location: 24501 School Road, Ripley, CA 92225

Description of Project: The Riverside Community Housing Corp (RCHC) owns, operates, and maintains the apartment complex known as the Dr. Clair S. Johnson Apartments (Property) located at 91-400 Seventh Street, Mecca, CA 92254. Several of the Property's HVAC systems are in need of complete replacement. The scope of the capital improvement will include removing the old HVAC systems and install all new replacements. The existing use of the site will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

Name of Public Agency Approving Project: Riverside Community Housing Corp, Dept. of Housing, and Workforce Solutions (HWS).

Name of Person or Agency Carrying Out Project: Riverside Community Housing Corp.

Exempt Status: California Environmental Quality Act (CEQA) Guidelines, Section 15301, Existing Facilities and Section 15061 (b) (3), General Rule Exemption.

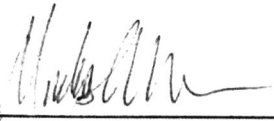
Reasons Why Project is Exempt: The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing structure here that will have its old HVAC systems replaced does not possess any historic significance and the project site is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The replacement of old HVAC systems with new ones will not have any effect on the environment and no significant physical environmental impacts are anticipated to occur.

- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the replacement of the existing HVAC systems, and as proposed, is minimal and would not result in any significant physical impacts related to air quality, traffic, noise, biological or historic resources, nor any other potential physical environmental impacts. Once the

replacement of the old systems are complete, the property will continue to operate as an apartment building. Therefore, the project meets the scope and intent of the Class 1 Exemption.

- Section 15061(b)(3) – General Rule or “Common Sense” Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The replacement of already existing HVAC systems at the same physical location will not have an effect on the environment. The new fixtures will not increase any potential environmental impacts from either the replacement or installation of the new fixtures. The use and operation of the site will be substantially unchanged and will not create any new environmental impacts to the surrounding area. In fact, the replacement with new energy efficient units, will improve both the existing structure and the surrounding community. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Department of Housing and Workforce Solutions hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 11/21/22

Mike F. Walsh, Secretary
Riverside Community Housing Corp

1 incorporated herein by this reference and are made a part of this Contract as if fully set forth herein. The
2 Contract Documents consist of the following component parts:

3 1.1.1 Scope of Work attached hereto as Exhibit A and incorporated herein by this reference

4 1.1.2 Invitation for Bids (IFB) No. 2022-002 HVAC Replacement Project at Dr. Clair S. Johnson
5 Apartments, attached hereto as Exhibit B and incorporated herein by this reference;

6 1.1.3 CONTRACTOR's Form of Bid submitted to the OWNER on August 30, 2022 in connection
7 with IFB No. 2022-002, attached hereto as Exhibit C and incorporated herein by this
8 reference; and

9 1.1.4 General Conditions, attached hereto as Exhibit D and incorporated herein by this reference.
10

11 **ARTICLE 2**

12 **STATEMENT OF PROJECT WORK**

13 2.1 Scope of Work

14 CONTRACTOR shall furnish all labor, material, equipment and services and perform and complete all
15 Work for the PROJECT identified as the **HVAC Replacement Project at Dr. Clair S. Johnson**
16 **Apartments**, for the OWNER. CONTRACTOR shall perform all services Monday – Friday, 7:30 a.m. to
17 5:30 p.m.

18 2.1.1. The full Scope of Work is described in the Contract Documents and more specifically
19 in Exhibit "A" as well as in the approved plans and specifications.

20 2.1.2 All such work shall be done in strict accordance with the Contract, specifications, and
21 addenda thereto and the plans and drawings included therein, all as prepared by the
22 OWNER.

23 2.2 Site Conditions

24 Data provided in the specifications and drawings are believed to depict the conditions to be encountered by
25 the CONTRACTOR, but the OWNER does not guarantee such data as being all-inclusive or complete in
26 every respect. Nothing contained herein shall relieve CONTRACTOR from making any and all
27 investigations he/she may deem necessary to apprise him/herself of the Work. CONTRACTOR'S
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1 submission of its bid and execution of the Contract constitutes its representation, acknowledgement and
2 agreement that it had sufficient time, access and opportunity prior to the bid closing to conduct a careful
3 and thorough examination, to its satisfaction of: the Contract Documents, and other information provided
4 by OWNER prior to bid closing concerning the PROJECT, site or existing improvements; the visible
5 conditions at the site and its surroundings, visible conditions of existing improvements and their existing
6 uses, and local conditions in the vicinity of the site; the status of any construction at the site concurrently
7 under construction; and all information concerning visible and concealed conditions above and below the
8 surface of the ground at the site and in existing improvements, including without limitation, surveys, reports,
9 data, as-built drawings of existing improvements and utility sources, that was either provided by OWNER
10 to CONTRACTOR or was reasonably available to CONTRACTOR for review in the public records.

12 ARTICLE 3

13 TIME OF COMMENCEMENT AND COMPLETION

14 3.1 Time for Completion

15 The Work, as defined in the General Conditions, to be performed under this Contract shall commence within
16 ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date specified in the
17 Notice, whichever is later, and shall be completed within **forty-five (45) calendar days** following the said
18 date. Time is of the essence under this Contract as to each provision in which time of performance is a
19 factor.

20 3.2 Liquidated Damages

21 3.2.1 If the CONTRACTOR fails to complete the PROJECT within the time specified in the
22 Contract, or any extension, the CONTRACTOR shall pay to the OWNER as liquidated damages, the sum
23 of **three hundred (\$300) dollars** for each day of delay. If different completion dates are specified in the
24 contract for separate parts or stages of the work, the amount of liquidated damages shall be assessed on
25 those parts or stages which are delayed. To the extent that the CONTRACTOR'S delay or nonperformance
26 is excused under another clause in this Contract, liquidated damages shall not be due the OWNER. The
27 CONTRACTOR remains liable for damages caused other than by delay.

1 payments on account of the Contract Sum to the CONTRACTOR, as provided in the General Conditions
2 of the Construction Documents.

3 5.2 OWNER shall promptly review applications for payment and provide its approval or disapproval,
4 in whole or in part, within fifteen (15) calendar days after receipt of an application for payment requesting
5 progress payment. Approved applications for progress payments will be paid by the 30th day of each month,
6 provided that the application for payment has been submitted to the OWNER on or before the first working
7 day of the month.

8
9 **ARTICLE 6**

10 **INDEMNIFICATION AND HOLD HARMLESS**

11 6.1 CONTRACTOR shall indemnify and hold harmless the OWNER, County of Riverside, its
12 Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of
13 Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and
14 representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability
15 whatsoever, including but not limited to property damage, bodily injury or death, based or asserted upon
16 any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising
17 out of or in any way relating to this Contract. CONTRACTOR shall defend at its sole expense and pay all
18 costs and fees, including but not limited to, attorney fees, costs of investigation, defense and settlements or
19 awards, on behalf of the Indemnitees, in any claim or action based upon such services.

20 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
21 CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice and shall have the
22 right to adjust, settle, or compromise any such action or claim without the prior consent of OWNER;
23 provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or
24 circumscribes CONTRACTOR'S indemnification to the Indemnitees as set forth herein.

25 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided
26 OWNER the appropriate form of dismissal relieving OWNER from any liability for the action or claim
27 involved.

1 6.4 The specified insurance limits required in this HVAC Installation Contract shall in no way limit or
2 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from
3 third party claims. CONTRACTOR'S indemnification and hold harmless obligations set forth herein shall
4 survive the termination and expiration of this Contract.

5 6.5 In the event there is a conflict between this clause and California Civil Code Section 2782, this
6 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the
7 CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

8
9 **ARTICLE 7**

10 **INSURANCE**

11 7.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the
12 OWNER harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost
13 and expense, the following insurance coverages during the term of this Contract. As respects to the
14 insurance section only, the OWNER herein refers to the Riverside Community Housing Corp., Housing
15 Authority of the County of Riverside, County of Riverside, its Agencies, Districts, Special Districts, and
16 Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors,
17 employees, elected or appointed officials, and agents or representatives as Additional Insureds.

18 7.1.1 Workers' Compensation:

19 If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall
20 maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
21 of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with
22 limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation
23 in favor of the OWNER.

24 7.1.2 Commercial General Liability:

25 Commercial General Liability insurance coverage, including but not limited to, premises liability,
26 unmodified contractual liability, products and completed operations liability, personal and advertising
27 injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S
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1 performance of its obligations hereunder. Policy shall name the OWNER as Additional Insured. Policy's
2 limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance
3 contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times
4 the occurrence limit.

5 7.1.3 Vehicle Liability:

6 If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then
7 CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in
8 an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a
9 general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the
10 occurrence limit. Policy shall name the OWNER as Additional Insured.

11 7.1.4 General Insurance Provisions - All lines:

- 12 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State
13 of California and have an A M BEST rating of not less than A: VIII (A:8) unless such
14 requirements are waived, in writing, by the County Risk Manager. If the County's Risk
15 Manager waives a requirement for a particular insurer such waiver is only valid for that
16 specific insurer and only for one policy term.
- 17 2) The CONTRACTOR must declare its insurance self-insured retention for each coverage
18 required herein. If any such self-insured retention exceed \$500,000 per occurrence each such
19 retention shall have the prior written consent of the County Risk Manager before the
20 commencement of operations under this Contract. Upon notification of self-insured retention
21 unacceptable to the OWNER, and at the election of the Country's Risk Manager,
22 CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as
23 respects this Contract with the OWNER, or 2) procure a bond which guarantees payment of
24 losses and related investigations, claims administration, and defense costs and expenses.
- 25 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the OWNER
26 with either 1) a properly executed original Certificate(s) of Insurance and certified original
27 copies of Endorsements effecting coverage as required herein, and 2) if requested to do so
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1 orally or in writing by the County Risk Manager, provide original Certified copies of policies
2 including all Endorsements and all attachments thereto, showing such insurance is in full
3 force and effect. Further, said Certificate(s) and policies of insurance shall contain the
4 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the
5 OWNER prior to any material modification, cancellation, expiration or reduction in
6 coverage of such insurance. In the event of a material modification, cancellation, expiration,
7 or reduction in coverage, this Contract shall terminate forthwith, unless the OWNER
8 receives, prior to such effective date, another properly executed original Certificate of
9 Insurance and original copies of endorsements or certified original policies, including all
10 endorsements and attachments thereto evidencing coverage's set forth herein and the
11 insurance required herein is in full force and effect. CONTRACTOR shall not commence
12 operations until the OWNER has been furnished original Certificate (s) of Insurance and
13 certified original copies of endorsements and if requested, certified original policies of
14 insurance including all endorsements and any and all other attachments as required in this
15 Section, showing that such insurance is in full force and effect. An individual authorized by
16 the insurance carrier to do so on its behalf shall sign the original endorsements for each
17 policy and the Certificate of Insurance.

18 4) It is understood and agreed to by the Parties hereto that the CONTRACTOR'S insurance shall
19 be construed as primary insurance, and the OWNER'S insurance and/or deductibles and/or
20 self-insured retention's or self-insured programs shall not be construed as contributory.

21 5) If, during the term of this Contract or any extension thereof, there is a material change in the
22 scope of services; or, there is a material change in the equipment to be used in the
23 performance of the scope of work; or, the term of this Contract, including any extensions
24 thereof, exceeds five (5) years; the OWNER reserves the right to adjust the types of
25 insurance and the monetary limits of liability required under this HVAC Installation
26 Contract, if in the County Risk Manager's reasonable judgment, the amount or type of
27 insurance carried by the CONTRACTOR has become inadequate.

1 8.3 After recordation of the Notice of Completion, and expiration of the thirty (30) calendar days period
2 for filing of stop notices, the OWNER shall settle all claims and disputes, notify the CONTRACTOR of
3 final acceptance of the PROJECT and make the final five percent (5%) retention payment, less any amounts
4 which the OWNER is entitled to receive from the CONTRACTOR under the terms of this HVAC
5 Installation Contract, including liquidated damages.

6
7 **ARTICLE 9**

8 **ADDITIONAL ORDERS AND ASSURANCES**

9 9.1 CONTRACTOR agrees that s/he/it will comply with the following orders and directives, and
10 makes the following assurances, where applicable:

11 9.1.1 Executive Order 11061, as amended, which directs the Secretary of HUD to take all action
12 which is necessary and appropriate to prevent discrimination by agencies that utilize federal funds.

13 9.1.2 Title VI of the Civil Rights Act of 1964 (Public Law 88-352) provides that no person in the
14 United States shall, on the basis of race, color, national origin or sex, be excluded from participation in,
15 denied the benefits of, or subjected to, discrimination under any program or activity which receives federal
16 financial assistance. The OWNER hereby extends this requirement to CONTRACTOR and its
17 subcontractors and consultants. Specific prohibited discriminatory actions and corrective action are
18 described in Title V, Subtitle C, Chapter 2 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

19 9.1.3 Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), popularly known as the Fair
20 Housing Act, provides for fair housing throughout the United States and prohibits any person from
21 discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage
22 services, including in any way making unavailable or denying a dwelling to any person because of race,
23 color, religion, sex or national origin. Pursuant to this statute, the OWNER requires that CONTRACTOR
24 administer all programs and activities, which are related to housing and community development, in such
25 a manner as affirmatively to further fair housing.

26 9.1.4 Age Discrimination Act of 1975.

27 9.1.5 Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).
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1 of the CONTRACTOR'S insolvency, or the CONTRACTOR makes a general assignment for the benefit
2 of his/her creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently
3 disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to
4 construct the PROJECT in accordance with the Drawings and Specifications, or otherwise substantially
5 violates any provision of the Contract Documents.

6 10.4 The OWNER shall give the CONTRACTOR and his surety five (5) calendar days written notice
7 prior to terminating this Contract pursuant to this section, provided however, that the CONTRACTOR shall,
8 upon receipt of such notice, immediately stop the installation of improvements or other permanent
9 construction work encompassing part of the PROJECT. Upon termination, the OWNER may take
10 possession of the PROJECT and all materials, equipment, tools and construction equipment and machinery
11 owned by the CONTRACTOR and located at the PROJECT site and may finish the PROJECT by whatever
12 method it may deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further
13 payment under this Contract.

14 10.5 The OWNER shall not be deemed to have waived any of its other rights or remedies against the
15 CONTRACTOR by exercising its right of termination under this section.

16 10.6 Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a
17 right or rights provided for by this Contract shall be tried in a court of competent jurisdiction in the County
18 of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change
19 of venue in such proceedings to any other county.

20
21 **ARTICLE 11**

22 **CLAIMS RESOLUTION**

23 11.1 This Article 11 is intended to help resolve disputes between the Parties related to this PROJECT.
24 Such disputes shall be brought to the attention of the OWNER at the earliest possible time, so that such
25 disputes may be promptly resolved, if possible, or other appropriate action or investigation may be promptly
26 undertaken. Public works claims which arise between the CONTRACTOR and the OWNER shall be
27 resolved using the following procedure:
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1 11.1.1 A “claim” means a separate demand by the CONTRACTOR sent by registered mail
2 or certified mail return receipt requested for one or more of the following: (a) a time extension including,
3 without limitation, for relief from damages or penalties for delay assessed by the OWNER; (b) payment by
4 the OWNER of money or damages arising from Work done by or on behalf of the CONTRACTOR and
5 payment for which is not otherwise expressly provided or to which the CONTRACTOR is not otherwise
6 entitled; (c) payment of an amount that is disputed by the OWNER. The CONTRACTOR shall furnish
7 reasonable documentation to support the claim.

8 11.1.2 Upon receipt of a claim, OWNER shall conduct a reasonable review of the claim and
9 within 45 days, or an extended period as may be set by mutual agreement of the Parties, provide the
10 CONTRACTOR with a written statement identifying what portion of the claim is still disputed and what
11 portion is undisputed. (If consultation with the Board of Commissioners is required, the OWNER may have
12 additional time as stated in Section 9204.) Any payment due on an undisputed portion of the claim shall be
13 processed and made within 60 days after the OWNER issues its written statement.

14 11.1.3 If the OWNER fails to issue a written statement, the claim shall be deemed rejected
15 in its entirety. A claim that is denied by reason of the OWNER’s failure to respond to a claim, or its failure
16 to otherwise meet the applicable time requirements, shall not constitute an adverse finding with regard to
17 the merits of the claim or the responsibility or qualifications of the CONTRACTOR.

18 11.1.4 If the CONTRACTOR disputes the OWNER’s written response, or if the OWNER
19 fails to respond within the time prescribed, the CONTRACTOR may demand in writing, sent by registered
20 mail or certified mail return receipt requested, an informal meet and confer conference to attempt to reach
21 settlement of the portion of the claim in dispute. Upon receipt of the demand, the OWNER shall schedule
22 a meet and confer conference within 30 days.

23 11.1.5 Within 10 business days following the conclusion of the meet and confer conference,
24 if the claim or any portion thereof remains in dispute, the OWNER shall provide the CONTRACTOR a
25 written statement identifying the portion of the claim that remains in dispute and the portion that is
26 undisputed. Any payment due on an undisputed portion shall be processed and made within 60 days after
27 the OWNER issues its written statement.

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1 that will take more than a maximum of ten (10) calendar days past the original agreed upon delivery date,
2 may at the option of the OWNER, be canceled and ordered from another source, if, in the opinion of the
3 Contracting Officer, it is in the best interests of the OWNER to do so.

4 12.3 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses
5 and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this
6 Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a
7 court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any
8 of the remaining clauses, sentences, paragraphs and sections of this Contract.

9 12.4 In the event of a conflict between the General Conditions and the Specifications, the General
10 Conditions shall prevail. In the event of a conflict between the contract and any applicable state or local law
11 or regulation, the state or local law or regulation shall prevail; provided that such state or local law or
12 regulation does not conflict with, or is less restrictive than applicable federal law, regulation, or Executive
13 Order. In the event of such a conflict, applicable federal law, regulation, and Executive Order shall prevail.

14 12.5 The persons executing this Contract on behalf of the Parties warrant and represent that they have
15 the authority to execute this Contract on behalf of each respective Party and further warrant and represent
16 that they have the authority to bind each respective Party to the performance of its obligation hereunder.

17
18 **(Remainder of Page Intentionally Blank)**

19
20 **(Signatures on next page)**

1 **IN WITNESS WHEREOF**, the Parties hereto have executed this Contract as of the day and year set forth
2 below.

3
4 **OWNER:**

CONTRACTOR:

5 RIVERSIDE COMMUNITY HOUSING CORP, a
6 California non-profit public benefit corporation

DIRECT AC, INC., a California corporation

7
8
9 By: _____
Carrie Harmon
10 COO

By: _____
11 Jason Friend
12 President

13
14 Dated: _____

Dated: _____

15 APPROVED AS TO FORM:
16 MINH TRAN
General Counsel

17
18 By: _____
Lisa Sanchez,
19 Deputy General Counsel

1 **Exhibit "A"**

2 **Scope of Work**

3
4 **Contractor shall perform the following work for Owner:**

- 5 1. Construction Planning: All residential units will be occupied during the entire demolition and
6 construction process. Construction planning and scheduling MUST take into account that each
7 resident requires 48 hours' notice prior to unit entry. Each resident MUST have a functioning
8 stove, kitchen sink, bathroom and bedroom at the end of every work day. RCHC requires the
9 successful bidder to have a complete construction plan schedule prior to starting work and to have
10 that plan approved by the project manager or his designee, five (5) calendar days prior to the
11 projected start date.
- 12 2. The work under this contract shall be performed at the Dr. Clair S. Johnson Apartments located
13 in the City of Mecca, State of California and shall include furnishing all labor, material,
14 equipment, tools, supplies, and services and incidentals, and performing all work necessary for
15 the removal and installation of forty (40) HVAC units and associated improvements in strict
16 conformance with all of the Contract documents.
- 17 3. Remove all existing Heat Pumps and air ducts in 40 units. The 40 units are comprised of the
18 following building types:
19 a. 30 units are two-story townhouse units.
20 b. 10 units are single-story accessible units.
- 21 4. Contractor to leave existing ceiling to attic adapter (supply box) in each room and reattach new
22 duct and air supply registers to the existing supply box.
- 23 5. Modify stucco openings to accept plenums where needed and install.
- 24 6. Furnish and install ten (10) new 3-ton side mounted dual package heat pump units, 14 SEER
25 (Energy Star rated using R-410A refrigerant). Unit weight not to exceed 450 lbs. [See structural
26 engineer specifications for stucco openings and platforms.]
- 27 7. Furnish and install thirty (30) new 3-ton 14 SEER split heat pump systems, air handler in closet
28 and condenser relocated to ground from shed.
8. All flashings, plenums and penetrations are to be properly sealed with appropriate materials.
Provide blocking and fastening as required by structural drawings/plans.
9. Furnish and install all appropriately-sized insulated type A/C ducting. Existing permanent metal
ducting that penetrates between first and second floor levels is to be reused.
10. Remove and replace all room supply and return air registers with new appropriately sized
adjustable bar type registers.

- 1 11. Cut where necessary appropriately sized return air intake. Return air ducting must be sealed with
2 appropriate materials.
- 3 12. Furnish two (2) appropriate pole breakers in service panel and fused disconnect in within 25 feet
4 of HVAC unit.
- 5 13. Unit condensate lines to be run outside and discharge over the edge in a manner so water will not
6 hit building. Condensate not to drain over public way, not free fall off unit, dry well required at
7 drain area 2-3 inches freefall to finish grade.
- 8 14. New control wiring must be run where necessary to properly control the heat pump systems.
- 9 15. Remove all existing equipment including ducting, condensers, package units, and air handlers.
Units must be removed offsite and appropriately disposed of.
- 10 16. Furnish refrigerant and charge new systems to factory specifications.
- 11 17. Furnish and install all new filter return air registers.
- 12 18. Furnish and install a new programmable thermostat in close proximity to the return air register.
13 Provide thermostat instructions for residents in both English and Spanish.
- 14 19. Contractor to field verify sizing of package unit, all dimensions and locations of all equipment
15 involved.
- 16 20. An independent inspection by a certified Home Energy Rating System (HERS) rater must provide
17 a (California Home Energy Efficiency Rating Services) CHEERS Energy star rating report, a Title
18 24 CF-1R, and/or an affidavit from an energy consultant stating that it meets the requirements.
19 The certified, independent and third-party HERS rater must not be affiliated with the contractor
20 or subcontractor performing the removal and installation of the HVAC unit. The results and
documentation of testing performed by the HERS rater shall be delivered to RCHC prior to project
completion. NOTE: The certified HERS rater must be certified by a Residential Energy Services
Network (RESNET) Accredited Rating Provider.
- 21 21. Contractor to ensure proper dumping of all waste and components from the site and shall provide
22 a cleared site free of all debris, contractor equipment, etc.
- 23 22. Contractor shall be responsible for the professional quality, accuracy, competence, methodology,
and the coordination of all services performed pursuant to this IFB.
- 24 23. Prior to the start of construction, Contractor will supply the RCHC with 3 complete submittal
25 packages.
- 26 24. Contractor shall provide quality assurance in strict accordance with current building codes as well
as terms, conditions, special contract requirements, specifications, attachments, and exhibits
27 contained in the General Conditions of the Contract.
- 28 25. Verification of existing conditions:

1 a. It shall be the Contractor's sole responsibility to verify existing conditions for each individual
2 work item. The Contractor shall be satisfied that there are no discrepancies between actual conditions
3 and the Scope of Work as issued. Before ordering materials/products, the Contractor shall verify
4 related conditions to ensure proper fit and installation.

5 b. Contractor to notify RCHC immediately of any hidden condition discovered which might affect
6 the progress of work.

7 26. Contractor to provide and maintain temporary sanitary facilities. Existing facility use is not
8 permitted.

9 27. RCHC will give contractor access to each unit based on contractor's proposed work schedule.

10 28. All tools, materials, and equipment shall be provided by the contractor and must meet all local
11 applicable safety requirements. A parking space will be made available for contractor's container
12 if needed for materials and equipment. RCHC assumes no responsibility for the loss or damage to
13 the contractor's equipment, tools or materials stored at the job site.

14 29. Contractor shall furnish sufficient personnel with the technical knowledge and experience
15 necessary to complete the work.

16 30. Contractor will be responsible for all construction/building permits required to complete the
17 project.

18 31. All work shall be performed in accordance with local safety standards and recognized safe
19 practices.

20 32. Contractor to ensure proper removal of all debris and all other components from the site and shall
21 provide a cleared site free of all debris, contractor equipment, etc. RCHC refuse containers will
22 not be allowed to be used for disposal of contractors waste.

23 33. Field Verification: Contractor is responsible to field verify existing conditions and promptly notify
24 RCHC if discrepancies in and omissions from the plans, specifications or other contract
25 documents are found in the field, including unforeseen conditions that may affect the successful
26 completion of the project and/or work.

27 34. Contractor will perform a final walk-through inspection with a RCHC representative before the
28 project will be considered complete and finished.

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Exhibit "B"
IFB 2022-002
(behind this page)

Exhibit "C"
Contractor's Form of Bid
(behind this page)

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Exhibit "D"
General Conditions
(behind this page)

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**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**



Riverside Community
Housing Corp.

Established 1992

INVITATION FOR BIDS (IFB) NO. 2022-002

**HVAC REPLACEMENT PROJECT AT
DR. CLAIR S. JOHNSON APARTMENTS
91-400 SEVENTH STREET MECCA, CA 92254**

**Riverside Community Housing Corp. (RCHC)
5555 Arlington Avenue
Riverside, CA 92504**

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

IFB INFORMATION AT A GLANCE

RCHC CONTACT PERSON:

George Eliseo, Contracts Analyst
gceliseo@rivco.org
(951) 955-6405

HOW TO OBTAIN THE IFB DOCUMENTS:

1. Access www.harivco.org
2. Click on the Vendors & Contractors page in the tab section and click on: **IFB 2022-002 HVAC REPLACEMENT PROJECT AT DR. CLAIR S JOHNSON APTS.**
3. Download the IFB.
4. Or via email from the above listed contact.

PRE-BID CONFERENCE: (JOB WALK)

NOTE: JOB WALK ATTENDANCE IS NOT MANDATORY BUT HIGHLY ENCOURAGED.

Tuesday, August 23rd, 2022 at 10:00 AM
DR CLAIR S JOHNSON APARTMENTS
91-400 SEVENTH STREET,
MECCA, CA 92254

- Prospective bidders should attend the pre-bid conference (job walk) and visit the site prior to this meeting. The purpose is to consider prospective bidders questions and concerns on the proposed project.

DEADLINE FOR

- Questions
- Requests for Interpretations (RFI's)
- Request for Modifications

August 26th, 2022, at 5:00 PM

Questions and requests for interpretation or modification must be submitted to George Eliseo via e-mail at gceliseo@rivco.org

BID SUBMITTAL DEADLINE:

Tuesday, August 30th, 2022, at 2:00 PM

A PUBLIC BID OPENING will be on the same date and time at the RCHC/HACR Main Office 5555 Arlington Avenue, Riverside, CA 92504
Late bids will not be considered.

The submittal must be sent to RCHC in one of the following two ways:

- (1) Physically delivered to:
Riverside Community Housing Corp.
5555 Arlington Avenue, Riverside, CA 92504
Attention: George Eliseo; or
- (2) Mailed to:
Riverside Community Housing Corp.
5555 Arlington Avenue, Riverside, CA 92504
Attention: George Eliseo

Submittals sent by email will not be accepted.

RCHC reserves the right to cancel or modify this timeline at any time.

Notice of any such modifications will be located at www.harivco.org

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

INTRODUCTION

The Riverside Community Housing Corp. (hereinafter, "RCHC") is a California non-profit public benefit corporation that was formed in 1992 as an affiliate of the Housing Authority of the County of Riverside ("HACR"). RCHC's purpose is to create and preserve affordable housing for extremely low-, low- and moderate-income persons within the County of Riverside, and to augment services and housing programs sponsored by HACR and/or the County of Riverside's Department of Housing and Workforce Solutions. As our mission, we believe that affordable housing, economic opportunity, and health are matters of unalienable human dignity. Through the creation and preservation of affordable housing and community development initiatives, RCHC strives to eradicate barriers to the pursuit of actualizing these essential liberties, to galvanize vibrant communities and to expand access in the transition towards self-sufficiency.

This Invitation for Bids no. 2022-002 ("IFB") is issued solely by RCHC and is not issued by HACR. The Riverside Community Housing Corp. is a nonprofit, public benefit corporation affiliated with HACR. While this IFB is issued solely by RCHC, it will be available on HACR's website for convenience and ease of access.

RCHC is inviting bids from qualified, licensed, and insured HVAC contractors with the ability to provide HVAC Replacement services to RCHC for the Dr. Clair S. Johnson Apartments, located at 91-400 Seventh Street, Mecca, CA 92254.

Details regarding the specifications, scope of work and other requirements are set forth in this IFB document and any attachments or amendments to it, which can also be accessed online at www.harivco.org. Bid submittals made in response to this solicitation must conform to all the required specifications outlined within this document and any designated attachments or amendments in their entirety.

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

1.0 RESERVATION OF RIGHTS:

- 1.1 Right to Reject, Waive, or Terminate the IFB.** RCHC reserves the right to reject any or all bids, to waive any informality in the IFB process, or to terminate the IFB process at any time, in its sole and absolute discretion if deemed by RCHC to be in its best interests.
- 1.2 Right to Not Award.** RCHC reserves the right not to award a contract pursuant to this IFB.
- 1.3 Right to Terminate.** RCHC reserves the right to terminate a contract awarded pursuant to this IFB, at any time for its convenience upon 5 days written notice to the successful bidder(s).
- 1.4 Right to Determine Time and Location.** RCHC reserves the right to determine the days, hours and locations that the successful bidder(s) shall provide the services called for in this IFB.
- 1.5 Right to Determine Financial Responsibility and Viability.** RCHC reserves the right to require of bidder information regarding financial responsibility and viability or such other information as RCHC determines is necessary to ascertain whether a bid is in fact the lowest responsive and responsible bid submitted.
- 1.6 Right to Retain Bids.** RCHC reserves the right to retain all written bids submitted to the RCHC in response to this IFB, and not permit withdrawal of same for a period of 60 calendar days subsequent to the deadline for receiving said bids. The RCHC may permit the withdrawal of bids when requested in writing by the bidder and such request is approved in writing by the RCHC Contracting Officer (CO) in his/her sole and absolute discretion.
- 1.7 Right to Reject Any Bid.** RCHC reserves the right to reject and not consider any bid that does not meet the requirements of this IFB, including but not necessarily limited to incomplete bids and/or bids offering alternate or non-requested services.
- 1.8 No Obligation to Compensate.** RCHC shall have no obligation to compensate any bidder for any costs incurred in responding to this IFB.
- 1.9 Right to Amend Prior to Award.** RCHC reserves the right to, prior to award, revise, change, alter or amend any of the instructions, terms, conditions, and/or specifications identified within the IFB documents issued, within any attachment or drawing, or within any addenda issued. All addenda will be posted on the Housing Authority's (HACR) website at: www.harivco.org and/or also at www.missionreproplanroom.com (hereinafter, the "noted Internet System" or the "System"). Such changes that are issued before the bid submission deadline shall be binding upon all prospective Bidders. RCHC reserves the right to amend the contract any time prior to contract execution.
- 1.9 Right to Prohibit.** RCHC shall reserve the right to at any time during the IFB or contract process to prohibit any further participation by a bidder or reject any bid submitted that does not conform to any of the requirements detailed herein. By accessing www.harivco.org and/or www.missionreproplanroom.com (hereinafter, the "noted Internet System" or the "System") and by downloading this document, each prospective bidder is thereby agreeing to abide by all terms and conditions listed within this document and within the noted Internet System, and further agrees that he/she will inform the CO in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by RCHC that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve RCHC, but not the prospective bidder, of any responsibility pertaining to such issue.
- 1.10 Right to Issue New Bids.** In the case of rejection of all bids, RCHC reserves the right to advertise for new bids or to proceed to do the work otherwise.

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

- 1.11 Right to Cancel Award.** RCHC reserves the right to, without any liability; cancel the award of any bid(s) at any time before the execution of the contract documents by all parties.

- 1.12 Right to Revise Quantities.** RCHC reserves the right to reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to RCHC, if:
 - 1.12.1** Funding is not available,
 - 1.12.2** Legal restrictions are placed upon the expenditure of monies for this category of service or supplies; or
 - 1.12.3** RCHC's requirements in good faith change after award of the contract.

- 1.13 Right to Require Additional Information.** RCHC reserves the right to require additional information from all Bidders to determine level of responsibility. Such information shall be submitted in the form and time frame required by RCHC.

- 1.14 Right to Require Accurate Timesheets.** RCHC reserves the right to require the Contractor to keep accurate timesheets for all employees assigned to perform any project, task, or assignment resulting from this IFB and any resulting contract.

- 1.15 Right to Contact.** RCHC reserves the right to contact any individuals, entities, or organizations that have had a business relationship with the Bidder regardless of their inclusion in the reference section of the bid submittal.

- 1.16 Right to Seek Restitution.** In the event any resulting contract is prematurely terminated due to nonperformance and/or withdrawal by the Contractor, RCHC reserves the right to seek monetary restitution (to include but not limited to withholding of monies owed) from the Contractor to cover costs for interim services and/or cover the difference of a higher cost (difference between terminated Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date.

- 1.17 Right to Amend Prior to Contract Execution.** RCHC reserves the right to amend the contract any time prior to contract execution.

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

2.0 SCOPE OF WORK:

RCHC is seeking bids from qualified, licensed, and bonded contractors to provide HVAC removal and installation in accordance with the following Scope of Work.

2.1 Location: This project is in the City of Mecca, Eastern Riverside County.
Dr. Clair S. Johnson Apartments
91-400 Seventh Street
Mecca, CA 92254

2.2 Construction Drawings/Plans: No plans are available for this project.

2.3 SCOPE OF WORK - GENERAL SPECIFICATIONS

1. The work under this contract shall be performed at the Dr. Clair S. Johnson Apartments located in the City of Mecca, State of California and shall include furnishing all labor, material, equipment, tools, supplies, and services and incidentals, and performing all work necessary for the removal and installation of forty (40) HVAC units and associated improvements in strict conformance with all of the Contract documents.
2. Remove all existing Heat Pumps and air ducts in 40 units. The 40 units are comprised of the following building types:
 - a. 30 units are two-story townhouse units.
 - b. 10 units are single-story accessible units.
3. Contractor to leave existing ceiling to attic adapter (supply box) in each room and reattach new duct and air supply registers to the existing supply box.
4. Modify stucco openings to accept plenums where needed and install.
5. Furnish and install **ten (10) new 3-ton side mounted dual package heat pump units, 14 SEER (Energy Star rated using R-410A refrigerant)**. Unit weight not to exceed 450 lbs. [See structural engineer specifications for stucco openings and platforms.]
6. Furnish and install **thirty (30) new 3-ton 14 SEER split heat pump systems**, air handler in closet and condenser relocated to ground from shed.
7. All flashings, plenums and penetrations are to be properly sealed with appropriate materials. Provide blocking and fastening as required by structural drawings/plans.
8. Furnish and install all appropriately-sized insulated type A/C ducting. Existing permanent metal ducting that penetrates between first and second floor levels is to be reused.
9. Remove and replace all room supply and return air registers with new appropriately sized adjustable bar type registers.
10. Cut where necessary appropriately sized return air intake. Return air ducting must be sealed with appropriate materials.
11. Furnish two (2) appropriate pole breakers in service panel and fused disconnect in within 25 feet of HVAC unit.

INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS

12. Unit condensate lines to be run outside and discharge over the edge in a manner so water will not hit building. Condensate not to drain over public way, not free fall off unit, dry well required at drain area 2-3 inches freefall to finish grade.
13. New control wiring must be run where necessary to properly control the heat pump systems.
14. Remove all existing equipment including ducting, condensers, package units, and air handlers. Units must be removed offsite and appropriately disposed of.
15. Furnish refrigerant and charge new systems to factory specifications.
16. Furnish and install all new filter return air registers.
17. Furnish and install a new programmable thermostat in close proximity to the return air register. Provide thermostat instructions for residents in both English and Spanish.
18. Contractor to field verify sizing of package unit, all dimensions and locations of all equipment involved.
19. An independent inspection by a certified Home Energy Rating System (HERS) rater must provide a (California Home Energy Efficiency Rating Services) CHEERS Energy star rating report, a Title 24 CF-1R, and/or an affidavit from an energy consultant stating that it meets the requirements. The certified, independent and third party HERS rater must not be affiliated with the contractor or subcontractor performing the removal and installation of the HVAC unit. The results and documentation of testing performed by the HERS rater shall be delivered to RCHC prior to project completion. NOTE: The certified HERS rater must be certified by a Residential Energy Services Network (RESNET) Accredited Rating Provider.
20. Contractor to ensure proper dumping of all waste and components from the site and shall provide a cleared site free of all debris, contractor equipment, etc.
21. Contractor shall be responsible for the professional quality, accuracy, competence, methodology, and the coordination of all services performed pursuant to this IFB.
22. Prior to the start of construction, Contractor will supply the RCHC with 3 complete submittal packages.
23. Contractor shall provide quality assurance in strict accordance with current building codes as well as terms, conditions, special contract requirements, specifications, attachments, and exhibits contained in the General Conditions of the Contract.
24. Verification of existing conditions:
 - a. It shall be the Contractor's sole responsibility to verify existing conditions for each individual work item. The Contractor shall be satisfied that there are no discrepancies between actual conditions and the Scope of Work as issued. Before ordering materials/products, the Contractor shall verify related conditions to ensure proper fit and installation.

INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS

- b. Contractor to notify RCHC immediately of any hidden condition discovered which might affect the progress of work.

- 2.4 Explanations and Interpretations to Prospective Bidders:** (a) Any prospective bidder desiring an explanation or interpretation of the solicitation, specifications, drawings, etc., must request it at least **ten (10)** days before the scheduled time for bid opening. Requests may be oral or written. Oral requests must be confirmed in writing. The only oral clarifications that will be provided will be those clearly related to solicitation procedures, i.e., not substantive technical information. No other oral explanation or interpretation will be provided. Any information given a prospective bidder concerning this solicitation will be furnished promptly to all other prospective bidders as a written amendment to the solicitation, if that information is necessary in submitting bids, or if the lack of it would be prejudicial to other prospective bidders. (b) Any information obtained by, or provided to, a bidder other than by formal amendment to the solicitation shall not constitute a change to the solicitation.
- 2.5 Interpretation of the Documents:** Discrepancies in and omissions from the plans, specifications or other contract documents, or questions as to their meaning shall, at once, be brought to the attention of the RCHC. Any interpretation of the documents will be made only by amendment duly issued and a copy of such amendment will be mailed or delivered to each person or firm receiving a set of such documents. RCHC will not be responsible for any other explanations or interpretations. Should anything in the Scope of Work or any of the sections of the specifications be of such nature as to be apt to cause disputes between the various trades involved, such information shall be promptly called to RCHC's attention.
- 2.6 Amendments to the IFB:** If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. Bidders shall acknowledge receipt of any amendment to this solicitation by signing and returning the amendment, by identifying the amendment number and date on the bid form, or by letter, telegram, or facsimile, if those methods are authorized in the solicitation. RCHC must receive acknowledgement by the time and at the place specified for receipt of bids. Bids which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the bid if the amendment(s) contained information which substantively changed RCHC's requirements. Amendments will be on file in the offices of RCHC at least 7 days before bid opening.
- 2.7 Caution to Bidders:** Prospective bidders are cautioned not to merely examine the plans and specifications in making their bid, since requirements are imposed upon the bidder by various other portions of this IFB and the Contract Documents.
- 2.8 Construction Cost Estimate:** The construction cost estimate is approximately \$70,000
- 2.9 Permits:** The selected contractor will obtain the necessary construction/building permits, if any are required. **NOTE: If required, the selected contractor will provide/furnish the engineered and/or shop drawings from the manufacturer and RCHC will obtain the necessary construction/building permits from the County of Riverside Building and Safety agency.**

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

3.0 BID FORMAT:

3.1 Tabbed Bid Submittal: In order for RCHC to properly evaluate the offers received, all bids submitted in response to this IFB must be formatted in accordance with the sequence noted below. Each category must be separated by numbered index dividers or tabs (which number extends so that each tab can be located without opening the bid) and labeled with the corresponding tab reference also noted below. None of the proposed services may conflict with any requirement RCHC has published herein or has issued by amendment.

Tab No.	Description
1	Form of Bid: This Form is attached to this IFB document as Attachment A. Complete and execute the form where provided, and submit under this tab.
2	Form of Bid Bond: This Form is attached to this IFB document as Attachment B. Certificate as to Corporate Principal – this portion must be completed by the Secretary of the Corporation and the corporate seal affixed. Complete form and notarize. This 2-page Form must be fully completed, executed where provided and submitted under this tab as a part of the bid submittal.
3	Form of Non-Collusive Affidavit: This Form is attached to this IFB document as Attachment C. Must check box indicating whether bidder is an individual, a corporation or partnership. Complete form and notarize. This 1-page Form must be fully completed, executed where provided and submitted under this tab as a part of the bid submittal.
4	Equal Employment Opportunity Certification (Form HUD-92010): This Form is attached as Attachment D. The 2-page Form must be completed, executed, and submitted under this tab as a part of the bid submittal.
5	Other Information (Optional Item): The bidder may include any other general information under this tab that's appropriate to assist the RCHC in its evaluation.
	If no information is to be placed under any of the above noted tabs (especially the "Optional" tabs), please place there under a statement such as "NO INFORMATION IS BEING PLACED UNDER THIS TAB" or "THIS TAB LEFT INTENTIONALLY BLANK." DO NOT eliminate any of the tabs.
	Bid Submittal Binding Method: It is preferable and recommended that the bidder bind the bid submittal in such a manner that the RCHC can, if needed, remove the binding (i.e. "comb-type," etc.) or remove the pages from the cover (i.e. 3-ring binder; etc.) to make copies then conveniently return the bid submittal to its original condition.

3.2 Bidder's Security: Bids in excess of twenty-five thousand dollars (\$25,000) shall be accompanied by a bid guarantee of not less than ten percent (10%) of the amount of the bid, including the aggregate of all separate bid items and schedules covered by the

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

bid, which may be: bid bond, money order, certified check or bank draft, U.S. Government Bonds at par value, or a bid bond secured by a surety company acceptable to the U.S. Government and authorized to do business in the state where the work is to be performed. ***The Form of Bid Bond (Attachment B) must be fully completed, executed and notarized where provided thereon and submitted under tab 3 (above) as a part of the bid submittal.*** Said check or bond shall be made payable to RCHC and shall be given as a guarantee that the Bidder, ***ONLY when awarded the job, Contractor will enter into an Agreement with RCHC and will furnish the necessary insurance certificates, Payment Bond, and Performance Bond.*** Each of said bonds and insurance certificates shall be in the amounts of stated in the Standard Specifications or Special Provisions. In case of refusal or failure of the successful Bidder to enter into said Agreement, the check or Bid Bond, as the case may be, shall be forfeited to the RCHC. If the Bidder elects to furnish a Bid Bond as its security, the Bidder shall use the Bid Bond from bound herein, or one conforming substantially to it in form.

- 3.3 Bid Submission:** All bids must be submitted and time-stamped received in the designated RCHC office by no later than the submittal deadline stated herein (or within any ensuing amendment). A total of one (1) original signature copy (marked "ORIGINAL" and "SEALED BID") of the bid submittal shall be placed unfolded in a sealed package and addressed to:

**Riverside Community Housing Corp (RCHC)
5555 Arlington Avenue Riverside, CA 92504
Attention: George Eliseo**

The package exterior must clearly include the following, "**IFB No. 2022-002 HVAC Replacement Project at Dr. Clair S. Johnson Apartments**" and must have the bidder's name and return address. Bids received after the published deadline will not be accepted. Email delivery shall not be a substitute for or waive physical delivery of the bid by the deadline.

- 3.4 Bid Acceptance Period:** The acceptance period is the number of calendar days available to the RCHC for awarding a contract from the date specified in this solicitation for receipt of bids. The RCHC requires a minimum acceptance period of ninety **90** calendar days. A bid allowing less than RCHC's minimum acceptance period will be rejected
- 3.5 Submission Conditions:** DO NOT FOLD OR MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED! Bidders are not allowed to change any requirements or forms contained herein, either by making or entering onto these documents or the documents submitted any revisions or additions; and if any such additional marks, notations or requirements are entered on any of the documents that are submitted to RCHC by the bidder, such may invalidate that bid. If, after accepting such a bid, RCHC decides that any such entry has not changed the intent of the bid that RCHC intended to receive, the RCHC may accept the bid and the bid shall be considered by RCHC as if those additional marks, notations or requirements were not entered on such. By accessing the noted Internet Site, registering and downloading these documents, each prospective bidder that does so is thereby agreeing to confirm all notices that RCHC delivers to him/her as

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instructed, and by submitting a bid, the bidder is thereby agreeing to abide by all terms and conditions published herein and by amendment pertaining to this IFB.

- 3.6 Submission Responsibilities:** It shall be the responsibility of each bidder to be aware of and to abide by all dates, times, conditions, requirements, and specifications set forth within all applicable documents issued by RCHC, those listed in the attachments section, and any amendments and required attachments submitted by the bidder. By virtue of completing, signing, and submitting the bid documents, the bidder is stating their agreement to comply with all conditions and requirements as set forth. Notice from the bidder previously not authorized in writing by RCHC to exclude any requirement(s), may cause that bidder to not be considered for award.
- 3.7 Bidder's Responsibilities; Contact With RCHC:** It is the responsibility of the bidder to address all communication and correspondence pertaining to this IFB process to the CO only. Bidders must not make inquiry or communicate with any other RCHC staff member or official (including members of the Board of Commissioners) pertaining to this IFB. Failure to abide by this requirement may be cause for RCHC to not consider a bid submittal received from any bidder who may has not abided by this directive.
- 3.8 Responsibility for Subcontractors:** All requirements for the "Prime" contractor shall also apply to all subcontractors. It is the Prime Contractors' responsibility to ensure the compliance of the subcontractors. Regardless of subcontracting, the Prime Contractor remains liable to RCHC for the performance under this IFB or any resulting contract.
- 3.9 Invitations for Bids (IFB) Amendments:** If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. Bidders shall acknowledge receipt of any amendment to this solicitation by signing and returning the amendment, by identifying the amendment number and date on the bid form by email, letter, or facsimile. RCHC must receive acknowledgement by the time and at the place specified for receipt of bids. Bids which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the bid if the amendment(s) contained information which substantively changed RCHC's requirements. Amendments will be on file in the offices of RCHC and at least **seven 7 days** prior to bid opening. All questions and requests for information must be addressed in writing to the CO. The CO will respond to all such inquiries in writing by amendment to all prospective bidders (i.e., firms or individuals that have obtained the IFB Documents). During the IFB solicitation process, the CO will NOT conduct any *ex parte* (a substantive conversation, "substantive" meaning, when decisions pertaining to the IFB are made between RCHC and a prospective bidder when other prospective bidders are not present) conversations that may give one prospective bidder an advantage over other prospective bidders. This does not mean that prospective bidders may not call the CO, it simply means that other than making replies to direct the prospective bidder where the answer has already been issued within the bid documents, the CO may not respond to the prospective bidder's inquiries but will direct them to submit the inquiry in writing so that the CO may more fairly respond to all prospective bidders in writing by amendment, if needed.
- 3.10 Pre-bid Conference (Job Walk):** The scheduled pre-bid conference is not mandatory. Typically, such conferences last 1 hour or less, though not guaranteed. The purpose of this conference is to give prospective bidders a fuller understanding of the job so that

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the bidder feels confident in submitting an appropriate bid. RCHC **will not** distribute any copies of the IFB documents at the job walk.

4.0 BID EVALUATION:

4.1 Public Opening: At the set date and time, all bids received will be opened and publicly read aloud by the CO, including the company name of the bidder and the total calculated costs proposed. At the bid opening RCHC will only disclose the following information: (a) The company name of each bidder; (b) the calculated total amount bid; and (c) the identity of the apparent lowest bidder. A copy of the bid tabulation or recap recorded will be made available to each member of the public attending such opening and to anyone who requests such afterwards. The bids will not be made available for inspection by anyone at this time; RCHC will, at a later time, review all bids in detail and will notify all bidders of any bidder that is, as a result of the more detailed inspection of bids submitted, ruled to be non-responsive or not responsible. RCHC reserves the right to, "waive informalities and minor irregularities" in the offers received.

4.1.1 Ties: In the case of bids, the award shall be decided by "drawing lots or other random means of selection."

4.2 Responsive Evaluation: After the public opening the "hard copy" bid submittals received will be evaluated in private for responsiveness (i.e., meets the minimum requirements). Firms not meeting the minimums and are deemed to be non-responsive, will be notified of such in writing by RCHC in a timely manner.

4.3 Responsible Evaluation: RCHC will evaluate the apparent lowest responsive bidder to ensure that he/she is responsible (i.e., a firm that is qualified, responsible, and able to provide to the RCHC the required services). If RCHC ascertains that such firm has the required ability, capability, experience, knowledge, licensing, insurance, and resources to complete the required work, RCHC may proceed with a notice of intent to award. If RCHC determines that a firm is deemed to be not responsible, the firm will be notified of such in writing by RCHC in a timely manner and bidder may request further information and a hearing. RCHC will proceed with Responsive and Responsible Evaluations with the next lowest bidder, in its sole discretion.

4.3.1 Contractor's Responsibility: A bidder must first be considered responsive before it is examined for responsibility. A responsible Contractor must:

- Have adequate financial resources to perform the contract, or the ability to obtain them;
- Have the necessary organization, experience, accounting and operational, and technical skills, or the ability to obtain them;
- Have the necessary management, personnel and facilities, or the ability to obtain them;

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- Be able to comply with the required delivery and performance schedule, taking into consideration all existing commercial and/or governmental business commitments;
- Have a satisfactory performance record in placement of qualified personnel;
- Have a satisfactory record of integrity and business ethics, and;
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not being debarred or suspended under a HUD-imposed LDP. Furthermore, all persons or contractors that have been suspended or debarred from Federal programs will show up on the System for Award Management (SAM).

4.3.2 Acceptable Evidence of Responsibility: The RCHC reserves the right to request additional information or require oral presentation in order to determine the Contractor's responsibility. Failure to provide adequate documentation within the specified time period will result in the Bidder to be determined non-responsive. Additional steps or information may include:

- Copy of financial statements, credit bureau reports, copy of lines of credit and/or account balances with the financial institutions or a breakdown of his/her costs.
- Copy of any business audits or reports.
- List of other contracts and contact information on past customers.
- List of all personnel and experience available to work on this contract.

4.4 Restrictions: Any and all persons having ownership interest in a bidder entity or familial (including in-laws) and/or employment relationships (past or current) with principals and/or employees of a bidder entity will be excluded from participation in the evaluation of the bid.

4.5 Bid Protest: Any prospective or actual bidder, who is allegedly aggrieved in connection with the solicitation of a bid or award of a contract, shall have the right to protest. To be eligible to file a protest with the RCHC pertaining to an IFB or contract, the alleged aggrieved protestant must have been involved in the IFB process in some manner as a prospective bidder (i.e. registered and received the IFB documents) when the alleged situation occurred. The alleged aggrieved protestant must file, in writing, to RCHC the exact reason for the protest, attaching any supportive data. The protestant must state within the written protest document specifically (not by inference) what action by RCHC or condition is being protested as inequitable, making, where appropriate specific reference to the IFB documents issued and including the specific citation of law, rule, regulation, or procedure upon which the protest is based. The protest document must also state the corrective action requested. Failure by the alleged aggrieved protestant to fully submit such information shall relieve RCHC from any responsibility to take any corrective action, and as a result of noncompliance, the appeal will be dismissed without further review. RCHC has no obligation to consider a

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protest filed by any party that does not meet these criteria. Any protest against a solicitation must be received before the due date for the receipt of bids, and any protest against the award of a contract must be received within ten (10) calendar days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the CO or designee, who shall issue a written decision on the matter. The CO may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. All appeals shall be marked as follows and sent to the address listed below:

**APPEAL OF IFB NO. 2022-002
RCHC c/o Housing Authority of the County of Riverside
Attn: George Eliseo, Contracting Officer
5555 Arlington Avenue Riverside, CA 92504**

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5.0 CONTRACT AWARD:

5.1 Lowest Responsive and Responsible Bidder: Award of an IFB is made to the responsive and responsible bidder that submits the lowest cost; in this case, the lowest calculated cost.

5.1.1 Basis for Determining Lowest Bid: The lowest bid shall be the lowest total of the base bid amounts on the base contract.

5.2 Contract Award Procedure: If a contract is awarded pursuant to this IFB, the following detailed procedures will be followed:

5.2.1 By completing, executing, and submitting the Form of Bid, Attachment A, the bidder is thereby agreeing to "abide by all terms and conditions pertaining to this IFB as issued by RCHC". Accordingly, RCHC has no responsibility to conduct any negotiations pertaining to the future contract after the submittal deadline.

5.2.2 Depending on the amount of the award (typically for amounts greater than \$75,000), RCHC will forward the Construction Contract to the RCHC Board of Directors (Board) for approval prior to signing the contract with the lowest responsive and responsible bidder.

5.2.3 The contract shall be awarded upon a resolution or minute order to that effect duly adopted by the RCHC Board in their sole and absolute discretion. Execution of the contract documents shall constitute a written memorial thereof.

5.3 Contract Conditions: The following provisions are considered mandatory conditions of any contract award made by RCHC pursuant to this IFB:

5.3.1 Contract Form: By responding to this IFB and submitting a bid, the successful bidder acknowledges and agrees that RCHC will only execute agreements prepared by RCHC which are substantially approved as to form and substance by its legal counsel. RCHC WILL NOT execute the successful bidder's contract form. Any bidder that does not feel the listed contract clauses or specifications are reasonable or complete shall address such with RCHC in writing during the bidding period (prior to the posted bid submittal deadline). RCHC will consider such clauses and determine in its sole and absolute discretion whether to amend the Contract if deemed by RCHC to be in its best interests.

5.3.2 Assignment of Personnel: RCHC shall retain the right to demand and receive a change in personnel assigned to the work if RCHC believes that such change is in its best interests and the completion of the contracted work.

5.4 Contract Period (Time of Completion): The successful bidder agrees to commence work no later than ten (10) calendar days after the commencement date specified in the **Notice to Proceed (NTP)** and to fully complete the project within **forty-five (45) calendar days**. The NTP is the written notification from the RCHC giving the contractor notice to commence with the project. The NTP will specify project details such as the mobilization

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start date, construction start date, and Work completion date. **NOTE:** The timeframe for ordering and delivery of supplies and/or materials is typically not included with the issuance of the NTP.

- 5.4.1 Liquidated Damages:** If the Contractor fails to complete the work within the time specified in the contract, or any extension, as specified in the clause entitled Default of this contract, the Contractor shall pay to the Owner as liquidated damages, the sum of **\$300.00** for each day of delay.
- 5.4.2** RCHC may withhold issuance of the NTP for a period not to exceed **ninety (90) calendar days** after the Construction Contract is executed.
- 5.4.3 Time of the Essence:** Time is of the essence as to each provision in which a timeframe for performance is provided in this IFB. Failure to meet these timeframes may be considered a material breach, and RCHC may pursue compensatory and/or liquidated damages under the contract.
- 5.5 Execution of Work:** All work is to be performed by qualified, competent trained personnel. The contractor is to be licensed and responsible for providing supervision of the work by appropriately identified personnel. RCHC may require the contractor to remove from the work such employees as the local authority deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed by RCHC to be contrary to the public interest. The contractor shall ensure full cooperation of all workers and suppliers and shall be confined to this work only. The contractor and his personnel shall respect the rights of tenants in the surrounding dwellings where work is being performed. The office hours for all locations of the RCHC are 8:00 am – 5:00 pm Monday through Friday, or as otherwise specified in the Scope of Work. The contractor's working hours may vary depending upon the type of work being performed. Contractor may work longer hours if approved in advance by RCHC.
- 5.6 Warranty:** All items installed/provided under any contract resulting from this IFB must include a minimum of a one (1) year warranty from the Contractor for labor, materials, and installation except as specified otherwise herein. The period will begin on the date of "FINAL" acceptance by RCHC.
- 5.6.1** The services provided under the contract shall conform to all information contained within the IFB documents as well as applicable Industry Published Technical Specifications, and if one of the above-mentioned Specifications contains more stringent requirements than the other, the more stringent requirements shall apply. In addition to all other warranties, the warranty shall include the warranty for merchantability and the warranty of fitness for a particular purpose.
- 5.6.3 Assignment of Warranty:** Contractor shall assign any warranties and guarantees to RCHC and provide the Contractor's Warranty for Labor and Installation to RCHC along with all Manufacturers' Warranty documents.

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6.0 PROMPT ACTION BY SUCCESSFUL BIDDER:

6.1.1 Upon issuance of the Notice of Award or Notice of Intent to Award, the successful bidder will have **seven (7) calendar days** to supply a payment/performance bond and furnish insurance documents in accordance with the Contract Documents.

6.1.2 Assurance of Completion (Performance Bond & Payment Bond): The successful bidder shall furnish an assurance of completion prior to the execution of the construction contract. This assurance shall be a performance and payment bond in a penal sum of 100 percent of the contract price.

6.1.3 Security substitutions for monies withheld to ensure the contractor's performance: In accordance with Section 22300 of the State of California Public Contract Code, the Contractor at his request and expense will be permitted to substitute equivalent securities for any monies withheld to insure performance.

6.2 Licensing and Insurance Requirements: Prior to contract award (but not as a part of the bid submission) the *successful bidder* will be required to provide:

6.2.1 Insurance: Without limiting or diminishing the Contractor's obligation to indemnify or hold the RCHC harmless, Contractor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Contract. As respects to the insurance section only, RCHC herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

6.2.2 Workers' Compensation: If the Contractor has employees as defined by the State of California, the Contractor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of RCHC; and, if applicable, to provide a Borrowed Servant/Alternate Employee Endorsement.

6.2.3 Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, employment practices liability, and cross liability coverage, covering claims which may arise from or out of Contractor's performance of its obligations hereunder. Policy shall name RCHC, the County of Riverside, its Agencies, Districts, Special Districts, Consultants, Departments, their Directors, Officers, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

6.2.4 Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then Contractor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than

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\$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit. Policy shall name the RCHC, the County, its Agencies, Districts, Special Districts, Consultants, Departments, their Directors, Officers, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds.

6.2.5 General Insurance Provisions - All lines:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an AM BEST rating of not less than A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- b. The Contractor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Contract. Upon notification of self-insured retention unacceptable to the RCHC, and at the election of the County's Risk Manager, Contractor's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Contract with the RCHC, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. Contractor shall cause Contractor's insurance carrier(s) to furnish the RCHC with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the RCHC prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall terminate forthwith, unless the RCHC receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. ***Contractor shall not commence operations until the RCHC has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section, showing that such insurance is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.***

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- d. It is understood and agreed to by the parties hereto that the Contractor's insurance shall be construed as primary insurance, and the RCHC's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
 - e. If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Contract, including any extensions thereof, exceeds five (5) years; RCHC reserves the right to adjust the types of insurance and the monetary limits of liability required under this Contract, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Contractor has become inadequate.
 - f. Contractor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.
 - g. The insurance requirements contained in this Contract may be met with a program(s) of self-insurance acceptable to RCHC.
 - h. Contractor agrees to notify RCHC of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Contract.
- 6.3 Business License:** A copy of the bidder's business license allowing that entity to provide such services within the County of Riverside, State of California.
- 6.4 Contractor's License:** A copy of the bidder's license issued by the Contractors State License Board (CSLB) allowing the bidder to provide the services detailed herein. To be considered, a potential bidder must possess the following license classification type: **"C20" – Warm-Air Heating, Ventilating and Air Conditioning**, for work covered in its bid when a bid is submitted. Contractor shall be licensed as required by the jurisdiction in which the service is to be performed and the license shall be current and in good standing. This includes a joint venture formed to submit a bid.
- 6.5 Contract Service Standards:** All work performed pursuant to this IFB must conform and comply with all applicable local, state, and federal codes, statutes, laws, and regulations.

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7.0 **ADDITIONAL CONSIDERATIONS**

- 7.1 Work on RCHC Property:** If the successful bidder's work under the contract involves operation on RCHC premises, the successful bidder shall take all necessary precautions to prevent the occurrence of any injury to persons or property during the progress of such work and shall immediately return said property to a condition equal to or better than the existing condition prior to the commencement of work at the site at no cost to RCHC.
- 7.2 Subcontractors:** Unless otherwise stated within the IFB documents, the successful bidder may not use any subcontractors to accomplish any portion of the services described within the IFB documents or the contract without the prior written permission of the RCHC. Also, any substitution of subcontractors must be approved in writing by RCHC prior to their engagement.
- 7.3 Salaries and Expenses Relating to the Successful Bidders Employees:** Unless otherwise state within the IFB documents, the successful bidder shall pay all salaries and expenses of, and all Federal, Social Security taxes, Federal and State unemployment taxes, and any similar taxes relating to its employees or other personnel furnished under this contract.

8.0 Recap of Attachments: It is the responsibility of each bidder to verify that they have received the following attachments to this IFB:

Attachment	Attachment Description
A	Form of Bid
B	Blank Bid Bond Form
C	Non-Collusive Affidavit

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FORM OF BID (ATTACHMENT A)

- A. Each bidder shall submit his/her bid/fee amount on this form only, which shall be completed, signed, and returned to RCHC with the entire submittal.
- B. **Proposed Bid/Fee Amount:** The Form of Bid shall be completed and submitted by the bidder. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work (including Invitation for Bid, this Form of Bid, the Bid Bond, the Performance and Payment Bonds (Labor and Materials Payment Bond), the Scope of Work and Technical Specifications, and Addenda (if any) and all other documents in the bid package, should base their quote accordingly. The bid/fee amount shall be all-inclusive of all related costs that the Contractor will incur to provide the materials and labor, including, but not limited to: employee wages and benefits, clerical support, overhead, profit, labor, licensing, taxes, insurance, materials, supplies, tools, equipment, shipping, permits, long distance telephone calls, document copying, and any other services for the **A/C Removal and Installation Project at Dr. Clair S. Johnson Apts.** for the bid/fee amount specified below.

Item #	Qty	Description	Bid/Fee Amount
1	40 Units	Removal and Installation of forty (40) AC Units	\$
TOTAL BID/FEE AMOUNT (Lump Sum)			\$

- C. **Bid Guarantee:** Security in the sum of [10% of bid/fee amount]: _____ Dollars (\$ _____), in the form of _____ is submitted.
- D. **Performance Bond and Payment Bond:** The undersigned agrees that, **if selected** as the Contractor, he will within ten days, Saturdays, Sundays, and legal holidays excluded, after presentation thereof by the RCHC, execute a contract in accordance with the terms of this Form of Bid furnish a Performance Bond and a Payment Bond (Labor and Materials Payment Bond), each of a surety company qualified to do business under the laws of California and satisfactory to RCHC and each in the sum of at least one hundred percent of the contract price, the premium for which are to be paid by the Contractor and are included in the contract price.
- E. **Quantities:** The undersigned understands that the HACR reserves the right to increase or decrease the amount of any class or portion of the work, or to omit any item of the work as may be deemed necessary or expedient by the RCHC. RCHC does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this IFB. RCHC shall retain one contractor only and shall retain the right to order from that contractor (successful bidder), on a task order basis, any amount of services requires.
- F. The undersigned hereby agrees to commence work under this contract on or after the date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within **FORTY FIVE (45) CALENDAR DAYS.**

NOTE: The penalty for making false statements in bids/offers is prescribed in 18 U.S.C. 1001.

Date: _____ Name of Company: _____

Printed Name: _____ Signature: _____

Office Number _____ Mobile Number _____ Email Address _____

ATTACHMENT B

FORM OF BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned:

_____, as PRINCIPAL,

AND _____, as SURETY,

are held and firmly bound unto the Riverside Community Housing Corp, hereinafter called, "RCHC", in the penal sum of _____ Dollars, lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has submitted the accompanying bid, dated _____, for _____

NOW, THEREFORE, if the Principal shall not withdraw said bid within the period specified therein after the opening of the same, or, if no period be specified, within sixty (60) days after said opening, and shall within the period specified therefore enter into a written contract with RCHC in accordance with the bid as accepted, and give bond with good and sufficient surety or sureties, as may be required, for the faithful performance and proper fulfillment of such contract; or in the event of the withdrawal of said bid within the period specified, or the failure to enter into such contract and give such bond within the time specified, if the Principal shall pay RCHC the difference between the amount specified in said bid and the amount for which RCHC may procure the required work or supplies or both, if the latter amount be in excess of the former, then the above obligation shall be void and of no effect, otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals this _____ day of _____, 20____, and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In presence of:

(Individual Principal) (seal)

(Address) (Business Address)

(Individual Principal) (seal)

(Business Address)

ATTEST:

(Corporate Principal)

(Business Address)

By: _____
(Affix Corporate Seal)

Title: _____

ATTEST:

(Corporate-Surety)

(Business Address)

By: _____
(Affix Corporate Seal)

(Print or type the names underneath all signatures.)

Power -of-attorney for person signing for Surety Company must be attached to bond.)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____
Secretary of the corporation named as Principal in the within bond; that _____
who signed the said on behalf of the Principal was then _____
of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond
was duly signed, sealed, and attested to for and in behalf of said corporation by authority of its
governing body.

(Corporate Seal)

Exhibit "C"
Contractor's Form of Bid
(behind this page)

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FORM OF BID (ATTACHMENT A)

- A. Each bidder shall submit his/her bid/fee amount on this form only, which shall be completed, signed, and returned to RCHC with the entire submittal.
- B. **Proposed Bid/Fee Amount:** The Form of Bid shall be completed and submitted by the bidder. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work (including Invitation for Bid, this Form of Bid, the Bid Bond, the Performance and Payment Bonds (Labor and Materials Payment Bond), the Scope of Work and Technical Specifications, and Addenda (if any) and all other documents in the bid package, should base their quote accordingly. The bid/fee amount shall be all-inclusive of all related costs that the Contractor will incur to provide the materials and labor, including, but not limited to: employee wages and benefits, clerical support, overhead, profit, labor, licensing, taxes, insurance, materials, supplies, tools, equipment, shipping, permits, long distance telephone calls, document copying, and any other services for the **A/C Removal and Installation Project at Dr. Clair S. Johnson Apts.** for the bid/fee amount specified below.

Item #	Qty	Description	Bid/Fee Amount
1	40 Units	Removal and Installation of forty (40) AC Units	\$ 256,780
TOTAL BID/FEE AMOUNT (Lump Sum)			\$256,780

- C. **Bid Guarantee:** Security in the sum of [10% of bid/fee amount]: Thirty Two Thousand Dollars (\$ 32,000), in the form of Bid Bond is submitted.
- D. **Performance Bond and Payment Bond:** The undersigned agrees that, **if selected** as the Contractor, he will within ten days, Saturdays, Sundays, and legal holidays excluded, after presentation thereof by the RCHC, execute a contract in accordance with the terms of this Form of Bid furnish a Performance Bond and a Payment Bond (Labor and Materials Payment Bond), each of a surety company qualified to do business under the laws of California and satisfactory to RCHC and each in the sum of at least one hundred percent of the contract price, the premium for which are to be paid by the Contractor and are included in the contract price.
- E. **Quantities:** The undersigned understands that the HACR reserves the right to increase or decrease the amount of any class or portion of the work, or to omit any item of the work as may be deemed necessary or expedient by the RCHC. RCHC does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this IFB. RCHC shall retain one contractor only and shall retain the right to order from that contractor (successful bidder), on a task order basis, any amount of services requires.
- F. The undersigned hereby agrees to commence work under this contract on or after the date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within **FORTY FIVE (45) CALENDAR DAYS.**

NOTE: The penalty for making false statements in bids/offers is prescribed in 18 U.S.C. 1001.

Date: 8/29/22

Name of Company: Direct AC

Printed Name: Jason Friend

Signature: 

951-742-8222
Office Number

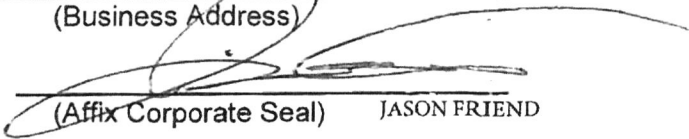
951-500-3672
Mobile Number

jason@directac.com
Email Address

ATTEST:

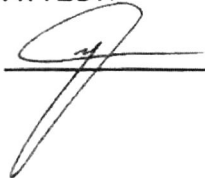
DIRECT AC INC
(Corporate Principal)

4199 FLAT ROCK DR STE 126, RIVERSIDE, CA 92505
(Business Address)

By: 
(Affix Corporate Seal) JASON FRIEND

Title: PRESIDENT

ATTEST:



Mason Grabill

OLD REPUBLIC SURETY COMPANY
(Corporate-Surety)

445 S. Moorland Road, Suite 200, Brookfield, WI 53005
(Business Address)

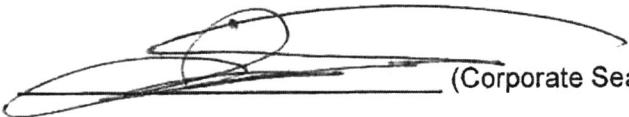
By: 
(Affix Corporate Seal) Jacob Ellen, Attorney-In-Fact

(Print or type the names underneath all signatures.)

Power -of-attorney for person signing for Surety Company must be attached to bond.)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, Jason Friend, certify that I am the President
Secretary of the corporation named as Principal in the within bond; that Jason Friend
who signed the said on behalf of the Principal was then President
of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond
was duly signed, sealed, and attested to for and in behalf of said corporation by authority of its
governing body.



(Corporate Seal)



OLD REPUBLIC SURETY COMPANY

Bond Number ORBB310047

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Aaron Blottie, Jacob Ellen, James Drake, David Neeley of Sacramento, CA

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22nd day of March, 2021

Karen J. Haffner
Assistant Secretary



OLD REPUBLIC SURETY COMPANY

Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22nd day of March, 2021, personally came before me, Alan Pavlic and Karen J. Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2022
(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.



31 1033

Signed and sealed at the City of Brookfield, WI this 20th day of July, 2022

Karen J. Haffner
Assistant Secretary

ORSC 22262 (3-06)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

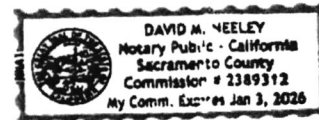
State of California
County of Sacramento

On 7/20/2022 before me, David M. Neeley, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.



Signature David M. Neeley (Seal)

ATTACHMENT C

FORM OF NON-COLLUSIVE AFFIDAVIT

State of California
County of Riverside ss.

Jason Friend
being first sworn, deposes and says:

That he is President
(a partner or officer of the firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed directly or indirectly, sought-by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or of any bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure any advantage against the Housing Authority of the County of Riverside or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Bidder is: A Corporation A Partnership An Individual

[Signature]
Signature of Bidder
Printed Name Jason Friend
Printed Title President

Subscribed and sworn to before me this 29th day of August, 2022

My commission expires _____

Exhibit "D"
General Conditions
(behind this page)

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GENERAL CONDITIONS
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GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

ARTICLE 1

GENERAL PROVISIONS

1.1

DEFINITIONS

THE CONTRACT DOCUMENTS - The Contract Documents consist of the Contract, the Performance Bond and Payment Bond and any other bond required by the Contract, the drawings, the specifications, addenda issued prior to execution of the Contract, and all modifications thereto.

THE CONTRACT - The Contract Documents form the Contract. The Contract represents the entire and integrated agreement between the parties hereto, and supersedes all prior negotiation, representations, or agreements, either written or oral, including the bidding documents.

ACT OF GOD - An Act of God is an earthquake of magnitude 4.5 or greater on the Richter scale, flood, tornado, or other cataclysmic phenomenon of nature, or rain, snowstorm, windstorm, high water, or other natural phenomenon in excess of the normal as established by National Oceanic and Atmospheric Administration weather data.

ACCEPTANCE - Acceptance is when RCHC determines all of the Contract requirements have been completed. Execution of the Notice of Completion will signify acceptance. A copy of the Notice of Completion will be sent to the Contractor after execution by RCHC. Upon receipt of the Notice of Completion, the Contractor will be relieved of the duty of protecting the work, and the RCHC will initiate final settlement and payment.

ARCHITECT - Architect means the person or other entity engaged by RCHC to perform architectural, engineering, design, and other services related to the work as provided for in the contract. When RCHC uses an engineer to act in this capacity, the terms "architect" and "engineer" shall be synonymous. The Architect shall serve as a technical representative of the Contracting Officer. The Architect's authority is as set forth elsewhere in this contract.

BENEFICIAL OCCUPANCY - The right of RCHC to occupy all or any portion of the project prior to final Acceptance of the Work. Such occupancy does not constitute acceptance or completion by the Contractor of the Work or any portion thereof, nor will it relieve the Contractor of the responsibility for correcting defective work or materials found at any time before Acceptance of the Work.

COUNTY - The term County when used herein shall mean the Board of Supervisors of the County of Riverside, a political subdivision of the State of California.

CHANGE ORDER - A Change Order is the document issued by RCHC authorizing any change or adjustment to the Contract Documents in accordance with Article 19 of this Contract.

CONTRACT DRAWINGS - "Contract drawings" or "drawings" means and includes (a) all drawings which have been prepared on behalf of RCHC and are included in the Contract Documents and all clarification drawings issued by notice to the bidders thereto; (b) all drawings submitted pursuant to the terms of the Contract by the Contractor to RCHC during the progress of the Work, which are accepted by RCHC.

CONTRACTING OFFICER - the person delegated the authority by RCHC to enter into, administer, and/or terminate this contract and designated as such in writing to the Contractor. The

term includes any successor Contracting Officer and any duly authorized representative of the Contracting Officer also designated in writing. The Contracting Officer shall be deemed the authorized agent of RCHC in all dealings with the Contractor.

CONTRACTOR'S AGENT - The representative of the Contractor, approved by RCHC, who shall be present at the Work and be authorized to receive and act upon instructions from RCHC and to execute and direct the Work on behalf of the Contractor.

CONTRACTOR - When used herein, Contractor means the prime or principal Contractor licensed to perform work in the State of California, including all joint ventures and entering into the contract with RCHC. References to subcontractor or others are only for convenience and all such references shall be considered to refer to the Contractor. The prime or principal Contractor shall be responsible for all subcontractors, and all subcontractors shall require their subcontractors to comply with the relevant provisions of the prime or principal contract.

CRITICAL PATH METHOD (CPM) - "Critical Path Method" is a schedule technique.

DAY - The use of "day" herein means calendar day and shall include every day including Saturdays, Sundays, and legal holidays.

DIRECTOR - The use of "Director" shall mean the Director of Housing and Workforce Solutions (HWS) who acts as the Director of RCHC.

HACR – means the Housing Authority of the County of Riverside organized under applicable state laws.

INSTALL - When used herein, "install" shall mean the complete installation, in place, of any item, equipment or material.

MATERIAL - Material shall be construed to include machinery, equipment, manufactured articles, or construction such as form work, fasteners, etc., and any other classes of material to be furnished in connection with the Contract. All materials shall be new.

NOTICE OF COMPLETION - The Notice of Completion shall be issued at that point in the Contract when the Contractor has completed all Work required in the Contract Documents. The time for issuance shall be determined by RCHC through a final inspection.

NOTICE TO PROCEED - The Notice to Proceed is the written notification from RCHC giving the Contractor notice to commence with the project. The Notice to Proceed will specify project details such as the mobilization start date, construction start date, and Work completion date.

PROJECT – means the entire project, whether construction or rehabilitation, the work for which is provided for in whole or in part under this contract.

REQUEST FOR INFORMATION - (RFI) The form and procedure established for communication between the Contractor and RCHC to clarify or interpret the Contract Documents.

REQUEST FOR QUOTATION - (RFQ) A document consisting of supplemental details, instruction, or information issued by the Architect, through RCHC, for the purpose of obtaining price quotations for possible changes in the Work.

RCHC – The Riverside Community Housing Corp, a California non-profit public benefit corporation

SPECIFICATIONS - The term "Specifications" means that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the Work.

SUBCONTRACTOR - The term "Subcontractor" means a person or firm that has a contract with Contractor or with another subcontractor to perform a portion of the Work. Unless otherwise specifically provided, the term Subcontractor includes Subcontractors of any tier, suppliers, manufacturers, and distributors. The term Subcontractor is referred to throughout the Contract Documents as if singular in number.

WORK - The term "Work" comprises the services and materials required by the Contract Documents, as may be amended, and includes all labor necessary to produce the construction required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such construction.

1.2 AUTHORITIES AND LIMITATIONS

- 1.2.1** The Director, the Deputy Director, and the Board of Directors alone have the power to bind RCHC and to exercise the rights, responsibilities, authorities, and functions vested therein by the Contract Documents, except that they shall have the right to designate authorized representatives to act for them.
- 1.2.2** Neither the Contract, nor any part thereof, nor moneys due or to become due there under may be assigned by the Contractor without the prior written approval of RCHC, with the exception of the assignments to RCHC which may be required under the terms of this Contract.

1.3 LEGAL REQUIREMENTS

- 1.3.1** Contractor shall keep informed of, and comply with, all federal, state and county laws, ordinances, rules, and regulations applicable to the Work or to those engaged or employed in the Work of this Contract, especially (but not limited to) those laws relating to hours of employment, prevailing wages, payment of wages, sanitary and safety conditions for workers, workers' compensation insurance, type and kind of materials that can be used, non-discrimination in employment and affirmative action programs. Failure to identify a specific provision in these Contract Documents shall not excuse the Contractor from complying with such applicable statutory requirements.
- 1.3.2** If conflict arises between provisions of the Contract Documents and any such laws, rules, or regulations, the Contractor shall notify RCHC at once in writing. If, before receiving clarification, Contractor performs any portion of the Work affected by such apparent conflict, such performance shall be at Contractor's own risk. Contractor shall not be entitled to any additional compensation or time by reason of the conflict or its later correction.
- 1.3.3** All work and materials shall be in full accordance with the latest applicable (or otherwise noted) codes, rules, and regulations including, but not limited to, the following:
California Uniform Building Code
California Uniform Plumbing Code
California Uniform Mechanical Code
California Uniform Fire Code

1.3.4 Nothing in the specifications is to be construed to permit work not conforming to the above, and expense incurred complying with the above shall be borne by the Contractor. Whenever the specifications and working details require higher standards than those required by the ordinances, codes and statutes, the specifications and working details shall take priority over the ordinances, codes, and statutes.

1.3.5 In submitting a bid on this public works projects, or any subcontractor agreeing to supply goods, services, or materials, and entering a contract pursuant thereto, the contractor and/or subcontractor do offer and agree to assign RCHC 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. Section 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final acknowledgement by the parties.

1.4 STANDARD REFERENCES

1.4.1 All documents and publications (such as, but not limited to, manuals, handbooks, codes, standards, and specifications) which are cited in this Contract for the purpose of establishing technical (non-administrative) requirements applicable to equipment, materials, or workmanship under this Contract, shall be deemed to be incorporated herein as though fully set forth.

1.4.2 Whenever reference is made to any particular document or publication, the Contractor shall comply with the requirements set out in the edition specified in this Contract, or if not specified, the latest edition or revision thereof, in effect on the date of the solicitation of bid on this project, except as modified by, as otherwise provided in, or as limited to type, class, or grade, in the specifications of this Contract.

1.5 PERMITS, LICENSES, FEES & TAXES

1.5.1 RCHC RESPONSIBILITIES

- a. RCHC will apply for all plan checks and will apply for and obtain the Building Permit(s), the Grading Permit and Construction Permits required by the County of Riverside or other local jurisdictions within the County of Riverside, paying all fees in connection therewith.
- b. RCHC will furnish, at no expense to the Contractor, all on-site inspection of the Work and will arrange and pay for off-site inspection only as noted in the Contract Documents.

1.5.2 CONTRACTOR'S RESPONSIBILITIES

- a. The Contractor shall obtain and pay for all other permits and licenses required for the Work, including excavation permit and for plumbing, mechanical and electrical work and for operations in or over public streets or right of way under jurisdiction of public agencies other than RCHC.
- b. Exclusive of off-site inspection specified herein to be RCHC responsibility, the Contractor shall arrange and pay for all off-site inspection of the Work, including certification, required by the specifications, drawings, or by governing authorities.

- c. Before Acceptance of the project by RCHC, the Contractor shall submit all licenses, permits, and certificates of inspection to RCHC.

1.6 SEPARATE CONTRACTS

- 1.6.1 RCHC reserves the right to perform work related to this project with its own forces, and to award separate contracts in connection with other portions of the project or other work on the site. The Contractor shall cooperate with others in the prosecution of all work and shall not interfere with material, appliances, or workmen of RCHC or any other contractor engaged by RCHC at the site of the Work. In case of disagreement regarding such use, the matter shall be referred to RCHC whose decision relative to said use shall govern.
- 1.6.2 The Contractor shall afford RCHC and separate contractors' reasonable opportunity for the introduction and storage of their materials and equipment and the execution of their work and shall properly connect and coordinate Contractor's Work with theirs.
- 1.6.3 If any part of the Contractor's work depends for proper execution or results upon the work of RCHC or any separate contractor, the Contractor shall inspect and promptly report to RCHC any discrepancies or defects in such other work that render it unsuitable for such proper execution and results. Failure of the Contractor to so inspect and report shall constitute an acceptance of RCHC or the separate contractor's work as fit and proper to receive the Work, except as to defects which may develop in the other separate contractor's work after the execution of the Contractor's work.
- 1.6.4 Should the Contractor cause damage to the work or property of any separate contractor on the Project, the Contractor shall, upon due notice, settle with such other contractor by agreement, if both will so settle. If such separate contractor sues RCHC because of any damage alleged to have been so sustained, the Contractor agrees to indemnify and defend RCHC in such proceedings with RCHC retaining the right to select and hire independent counsel for RCHC, paid by the Contractor.
- 1.6.5 Any cost caused by defective or ill-timed work shall be borne by the party responsible therefore.

1.7 RCHC AUTHORIZED REPRESENTATIVE, INSPECTOR(S), & ARCHITECT

1.7.1 AUTHORIZED REPRESENTATIVE

RCHC shall designate a representative during the Work, who shall have the right to be present at the job site during construction and shall supervise any additional representatives appointed by RCHC.

1.7.2 CONTRACTING OFFICER

The Contracting Officer or authorized designee shall have the right to observe the installation of all materials and equipment to be incorporated into the Work and the placing of such material and equipment to determine in general if the Work is proceeding in accordance with the Contract Documents. The Contracting Officer is not authorized to make changes in the Contract Documents. On the basis of his observations, he shall keep RCHC informed as to the progress of the Work. The Contracting Officer shall not be responsible for means, methods, techniques, sequences, or procedures of construction nor for safety precautions and programs in connection with the Work. Nor will the Contracting Officer be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents.

1.7.3 ARCHITECT

- a. If RCHC has retained an Architect for this project. The Architect will advise and consult with RCHC, and RCHC will issue instructions to the Contractor. The Architect will be requested to interpret the requirements of the Contract. When requested by RCHC, the Architect will, within a reasonable time, render such interpretations as he may deem necessary for the proper execution of the Work.
- b. The Architect will make periodic visits to the job site to familiarize himself generally with the progress and quality of the Work and to determine in general whether the work is proceeding in accordance with the Contract Documents. Based on such observations he will recommend approval of applications for progress payments made by Contractor. The Architect shall not be responsible for means, methods, techniques, sequences, or procedures of construction nor for safety precautions and programs in connection with the Work. Nor will the Architect be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents.

ARTICLE 2 BONDS AND INSURANCE

2.1 BIDS OF \$25,000 OR LESS

- 2.1.1 If the total amount bid on the Work is \$25,000 or less, the payment bond and performance bond are not required, provided that one payment of all compensation shall be made following Acceptance of all work.

2.2 BONDS

2.2.1 GENERAL REQUIREMENTS

- a. Before commencing any Work under this Contract, the Contractor shall file two of each bond with the RCHC. These bonds shall be in the amounts and for the purposes specified below. They shall be surety bonds issued by:

- (1) Either a California Admitted Surety OR a current Treasury Listed Surety (Federal Register).

And

- (2) Either a current A.M. Best A VIII rated Surety OR an admitted surety insurer which complies with the provisions of the Code of Civil Procedure, § 995.660.

- b. Should any surety or sureties upon said bonds or any of them become insufficient, Contractor shall renew said bond or bonds with good and sufficient sureties within ten (10) calendar days after receiving notice from RCHC that the surety or sureties are insufficient. Cost of bonds shall be included in the bid price.

2.2.2 PERFORMANCE BOND

The successful bidder shall deliver to RCHC an executed Performance Bond on the attached form in an amount equal to 100% of the accepted bid as security for the faithful performance of the Contract.

2.2.3 PAYMENT BOND

The successful bidder shall deliver to RCHC an executed Payment Bond on the attached form in an amount equal to 100% of the accepted bid as security for the payment of all persons performing labor and furnishing materials in connection with the work.

2.3 INSURANCE

2.3.1 GENERAL REQUIREMENTS

Before commencing this Work under the Contract, and without limiting or diminishing Contractor's obligation to indemnify and hold RCHC harmless, the Contractor shall procure and maintain, or cause to be maintained at its sole cost and expense, the following insurance coverages during the term of this Contract.

2.3.2

WORKERS' COMPENSATION INSURANCE

Contractor shall secure Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed, if applicable, to contain a Waiver of Subrogation in favor of RCHC. Pursuant to Section 3700 of the Labor Code of the State of California, Contractor shall file with RCHC before commencing the Work, the following signed certification:

"I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I shall comply with such provisions before commencing the performance of the Work of this Contract."

2.3.3 COMMERCIAL GENERAL LIABILITY:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations if applicable, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Contractor's operations, use, and management of the premises, or the performance of its obligations hereunder. Policy shall name RCHC, County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured, and contain a Waiver of Subrogation in favor of RCHC and County. Policy limits shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

2.3.4 VEHICLE LIABILITY:

If Contractor's vehicles or licensed mobile equipment are used in the performance of the obligations under the contract, or used in any manner on behalf of RCHC, Contractor shall maintain auto liability insurance for all owned, non-owned and hired automobiles in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this contract or be no less than two (2) times the occurrence limit. Policy shall name RCHC, its Board of Directors, County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insured, and provide a Waiver of Subrogation in favor of RCHC.

2.3.5 PROPERTY (PHYSICAL DAMAGE):

All-Risk property insurance coverage for the full replacement value of all Contractor's equipment, improvements and/or alterations, temporary structures, and systems (Care, Custody, and Control of Contractor) as used on RCHC property or used in any way connected with the Work or with the accomplishment of the Work as performed in this contract.

2.3.6 COURSE OF CONSTRUCTION INSURANCE

Contractor shall provide All Risk Builder's Risk (Course of Construction) insurance, including earthquake and flood if in an earthquake or flood zone (required on financed or bond financing arrangements), covering the RCHC, the Contractor and every subcontractor of every tier for the entire project including property to be used in the construction of the project while such property is at offsite storage locations or while in transit. Policy shall include coverage for collapse, faulty workmanship, debris removal, expediting expense, Fire Department Service charges, valuable papers and records, trees, grass, shrubbery, and plants. If scaffolding, falsework, and temporary buildings are insured separately by the Contractor or others, evidence of such separate coverage shall be provided to RCHC prior to the start of the work. Policy shall be written on a completed value form. Policy shall also provide coverage for temporary structures (onsite offices, etc.), fixtures, machinery and equipment being installed as part of the construction project.

Contractor shall provide a bid price with Course of Construction insurance as outlined herein and shall also separately provide the cost of the Course of Construction insurance and deductible; and shall declare all terms, conditions, coverages and limits upon request of RCHC RETAINS THE RIGHT TO CHOOSE TO USE ITS OWN COURSE OF CONSTRUCTION PROGRAM. If RCHC's program is chosen, Contractor shall assume the cost of any and all applicable policy deductibles (currently \$50,000 per occurrence), and shall insure its own machinery, equipment, tools, etc., from any loss of any nature whatever. If RCHC elects the Contractor's All Risk Builder's Risk Program, Contractor shall be responsible for any and all policy deductibles.

2.3.7 GENERAL INSURANCE PROVISION – ALL LINES:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and shall have an A.M. BEST rating of not less than an A:VIII unless such requirements are waived, in writing, by the Risk Manager. If the Risk Manager waives a requirement for a particular insurer, such waiver is only valid for that specific insurer and only for one policy term.
- b. The Contractor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence, each such retention shall have the prior written consent of the Risk Manager before he commencement of operations under this contract. Upon notification of self-insured retention unacceptable to RCHC, and at the election of the Risk Manager, Contractor's carriers shall either 1) reduce or eliminate such self-insured retention as respects this contract, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. Contractor shall cause its insurance carrier(s) to furnish RCHC with either 1) a properly executed original Certificates(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, or 2) if requested to do so in writing by the Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. RCHC, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives are named as Additional Insureds. Further, said Certificates(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that shall provide no less than thirty (30) days written notice be given to RCHC prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Agreement shall terminate forthwith, unless RCHC receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or

certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. Contractor shall not take possession, or use the Premises, or commence operations under this Agreement until RCHC has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all Endorsements and any and all other attachments as required in this Section. The original Endorsements for each policy and the Certificate of Insurance shall be signed by an individual authorized by the insurance carrier to do so on its behalf.

- d. It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary, and RCHC insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- e. RCHC Reserved Rights-Insurance. RCHC reserves the right to adjust the monetary limits of insurance coverage's during the term of this agreement or any extension thereof if in the Risk Manager's reasonable judgment, the amount or type of insurance carried by the Contractor becomes inadequate.
- f. Contractor shall pass down the insurance obligations contained herein to all tiers of sub-contractors working under this Agreement.

2.4 INDEMNITY AND HOLD HARMLESS

- 2.4.1 Contractor agrees to and shall indemnify and hold harmless, RCHC, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Directors, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees), from any liability whatsoever, including but not limited to property damage, bodily injury or death, based or asserted upon any services of Contractor, its officers, employees, agents, invitees, or any subcontractor of Contractor relating to or in any way connected with the accomplishment of the work or performance of services under this Agreement, regardless of the existence or degree of fault or negligence on the part of RCHC or any officer or employee of RCHC, other than the sole active negligence or willful misconduct of RCHC, its Directors and Officers, Special Districts, Board of Commissioners, elected officials, employees, agents or representatives. As part hereto of the foregoing indemnity Contractor agrees to protect and defend at its own expense, including attorneys' fees RCHC, its Directors and Officers, Board of Commissioners, elected officials, employees, agents or representatives from any and all legal action based upon any acts or omissions, as stated hereinabove, by any person or persons.
- 2.4.2 If any such claim, action, or proceeding is brought against RCHC or RCHC officers, agents, employees, or independent contractors, Contractor, upon notice from RCHC, shall defend the same at Contractor's expense by counsel satisfactory to RCHC shall promptly notify Contractor of any claim, action, or proceeding against RCHC or RCHC officers, agents' employees, independent contractors, and consultants relating to the performance, or omission to perform, any term or condition of this Contract. RCHC shall cooperate fully in the defense of such claim, action, or proceeding.
- 2.4.3 RCHC shall not be liable or responsible for any accident, loss or damage occurring to the Work prior to the completion and Acceptance of same, unless otherwise specifically agreed to at the time of occupancy by RCHC.

ARTICLE 3 SITE CONDITIONS

3.1 DIFFERING SITE CONDITIONS

- 3.1.1 The Contractor shall have reviewed and ascertained pertinent local conditions such as location, accessibility, and general character of the site and satisfy himself as to the conditions under which the Work is to be performed. No claim for allowances shall be made because of Contractor's error or negligence in acquainting himself with the conditions at the site.
- 3.1.2 The Contractor shall carefully study and compare the Contract Documents with each other and with information furnished by RCHC. The Contractor shall promptly report in writing to RCHC any errors, inconsistencies, or omissions in the Contract Documents or inconsistencies with applicable code requirements observed by Contractor.
- 3.1.3 If Contractor performs any construction activity which it knows or should know involves an error, inconsistency, or omission without notifying and obtaining the written consent of RCHC, Contractor shall be responsible for the resultant losses, including, without limitation, the costs of correcting defective work.
- 3.1.4 RCHC will furnish surveys necessary to properly locate the property and establish the boundaries thereof with general reference points as well as to enable the Contractor to proceed with the Work.
- 3.1.5 The Contractor shall provide competent engineering services to lay out the Work and all parts thereof and to establish all grades and elevations in accordance with the Contract requirements. He shall verify the figures shown on the survey and approach drawings before undertaking any construction work and shall be responsible for the accuracy of the finished work.
- 3.1.6 The Contractor shall protect and preserve established benchmarks and monuments and shall make no changes in locations without the written approval of RCHC. Any benchmarks or monuments that are lost or destroyed shall be replaced by the Contractor subsequent to notification and approval from RCHC.

3.2 SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK

- 3.2.1 The Contractor acknowledges by submission of his/her bid that he has satisfied himself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the site, including any exploratory work deemed necessary by the Contractor. Any failure of the Contractor to take the actions described and acknowledged in this paragraph will not relieve the Contractor from responsibility for estimating the difficulty and cost of successfully performing the Work, or for proceeding to successfully perform the Work without additional expense to RCHC.

3.3 DIMENSIONS AND MEASUREMENTS

- 3.3.1 All dimensions shown for existing conditions and all dimensions required for work that is to connect with work now in place, shall be verified and calculated by the Contractor by actual measurement of the existing work. Any discrepancies between the Contract Documents and the existing conditions shall be referred to the authorized representative of the RCHC before any work affected thereby has been performed. Failure to notify the RCHC before starting work will be considered acceptance by the Contractor. Where doubts as to dimensions exist, RCHC shall determine the correct dimensions.

ARTICLE 4 SPECIFICATIONS AND DRAWINGS

GENERAL PROVISIONS

4.1.1 SUBDIVISIONS

For convenience, the specifications are arranged into several sections, but such separation shall not be considered as the limits of the work required of any separate trade. The terms and conditions of such limitations are wholly between the Contractor and his subcontractors. Requirements contained in any section are required as if contained in all sections and are the responsibility of the Contractor. The Contractor, prior to awarding subcontracts, will assure the Work required as a whole has been coordinated among the subcontracts.

4.1.2 RECORD DOCUMENTS

- a. The Contractor shall keep on the worksite, a copy of all the awarded construction documents, including but not limited to, the drawings and specifications, and shall at all times give RCHC and Architect access thereto.
- b. The Contractor will be given one set of drawings and specifications which shall be kept at the site of the Work at all times and updated weekly. Payment may be withheld if drawings are not kept current. Exact locations of all pipes and conduits and all changes in construction and details shall be indicated and dimensions provided upon these drawings, and all changes in materials and equipment installed shall be indicated in these specifications. Upon completion and prior to Acceptance of the Work, a final reproducible (transparencies) set of project record documents and specifications shall be submitted to RCHC by the Contractor. RCHC will furnish a set of reproducibles.
- c. The working details will indicate dimensions, position, and kind of construction, and the specifications, qualities, and methods. Any Work indicated on the working details and not mentioned in the specifications, or vice versa, shall be furnished as though fully set forth in both. Work not particularly detailed, marked, or specified shall be the same as similar work that is detailed, marked, or specified.
- d. In case of discrepancy in the documents, the matter shall be promptly submitted to RCHC, who shall make a determination in writing. Any adjustment by the Contractor without such a determination shall be at its own risk and expense. RCHC shall furnish from time to time such detailed information as considered necessary to clarify the Work.
- e. Where the word "similar" occurs on the drawings, it shall have a general meaning and not be interpreted as meaning identical, and all details shall be worked out in relation to their location and their connection with other parts of the work.
- f. Standard details or specification drawings are applicable when listed, bound with specifications, noted on the drawings, or referenced elsewhere in the specifications. Where the notes on the drawings indicate modifications, such modifications shall govern.
- g. All drawings, specifications and copies thereof furnished to the Contractor are the property of RCHC and shall not be used on other work without its consent. Upon completion of this project, all copies of the drawings and specifications shall be returned to RCHC.

4.2 SUMMARY OF THE ORDER OF THE PROCEDURE

4.2.1 In case of conflicts between the Contract Documents, the order of precedence shall be as follows:

- 1) Modifications or changes last in time are first in precedence.
- 2) Addenda.

- 3) RCHC-Contractor agreement.
- 4) General Conditions except for specific modifications thereto stated in the Supplementary Conditions.
- 5) Supplementary Conditions.
- 6) Specifications.
- 7) Drawings - as between figured dimensions given on drawings and the scaled measurements, the figured dimension shall govern; as between large-scale drawings and small-scale drawings, the larger scale shall govern.
- 8) Structural drawings
- 9) Architectural drawings.
- 10) As between detailed drawings and typical details bound within the specifications, the detailed drawings govern.
- 11) In the event provisions of codes, safety orders, contract documents, referenced manufacturer's specifications or industry standards are in conflict, the more restrictive and higher quality shall govern.
- 12) Schedules shown on the drawings take precedence over conflicting information given on other drawings.
- 13) Mechanical drawings.
- 14) Electrical drawings.

4.3 CLARIFICATIONS/REQUEST FOR INFORMATION AND ADDITIONAL INSTRUCTIONS

4.3.1 NOTIFICATION BY CONTRACTOR

- a. Should Contractor discover what he perceives to be conflicts, omissions, or errors in the Contract Documents, or have any question concerning interpretation or clarification of the Contract Documents, or if it appears that the work to be done or any matters relative thereto are not sufficiently detailed or explained in the Contract Documents, then, before proceeding with the work affected, Contractor shall notify RCHC's authorized representative in writing, and request interpretation, clarification, or additional detailed information concerning the work. The Contractor shall ask for the clarification (Request for Information) immediately upon discovery but no less than 14 calendar days prior to the start date of the activities related to the clarification, based on the latest updated version of the accepted Progress Schedule. RCHC, whose decision shall be final and conclusive, shall resolve such questions and issue instructions to Contractor. Should Contractor proceed with work affected before receipt of instructions from RCHC, Contractor shall remove and replace or adjust work which is not in accordance with the instructions from RCHC and shall be responsible for resultant damage, defect or added cost. In event of failure to agree as to scope of Contract requirements, Contractor shall follow the procedure set forth in the DISPUTES article.
- b. The Contractor shall not be entitled to any compensation for delays, disruptions, inefficiencies, or additional administrative effort caused by the Contractor's untimely review of the Contract Documents for potential conflicts, omissions, discrepancies or ambiguities.
- c. RCHC may charge back to the Contractor, time and expense associated with RFI's, as may be reasonably determined by RCHC to be unnecessary.

4.3.2 ADDITIONAL DETAILED INSTRUCTIONS

- a. RCHC may furnish additional detailed written instructions on any Request for Information to

further explain the Work. If in the opinion of Contractor, the additional detailed instructions constitute work in excess of the scope of the Contract, he must submit written notice thereof immediately to RCHC, but no later than seven (7) calendar days following receipt of such instruction(s), and in any event prior to commencement of work thereon. The Contractor shall not be entitled to additional compensation due to any additional instructions unless the Contractor shall have given the appropriate written notice. RCHC will then consider such notice and, if in its judgment it is justified, RCHC instructions will be revised or extra work shall be authorized by Change Order. In the event of a dispute hereunder, attention is directed to the DISPUTES article.

ARTICLE 5 SHOP DRAWINGS AND SUBMITTALS

5.1 SHOP DRAWINGS, PRODUCT DATA, COORDINATION DRAWINGS AND SCHEDULES

- 5.1.1 Shop drawings are drawings submitted to RCHC by the Contractor showing detail of the proposed fabrication and assembly of structural elements and the installation (i.e., form, fit, and attachment details) of materials or equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, fabrication, erection and setting drawings, manufacturers' scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, and performance and test data, and similar materials furnished by the Contractor to explain in detail specific portions of the Work required by the Contract. RCHC may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under this Contract.
- 5.1.2 The Contractor shall coordinate all shop drawings and review them for accuracy, completeness, and compliance with Contract requirements, and shall indicate its approval thereon as evidence of such coordination and review. Shop drawings submitted to RCHC without evidence of the Contractor's approval shall be returned for resubmission. The Architect will indicate review for compliance of the shop drawings, and if not in compliance as submitted, shall indicate the reasons, therefore. Any work done before such review shall be at the Contractor's risk. Review by the Architect shall not relieve the Contractor from responsibility for any errors or omissions in such drawings, nor from responsibility for complying with the requirements of this Contract, except with respect to variations described and approved in accordance with paragraph 5.1.3.
- 5.1.3 If shop drawings show any variations from the Contract requirements, the Contractor shall describe such variations in writing, separate from the drawings, at the time of submission. If the Architect approves any such variation, no change in time or price will be allowed for Contractor changes. Should the Architect make changes on the shop drawings which affect time and/or cost, the Contractor will immediately notify RCHC with a Request for Information. If the Contractor fails to issue the Request for Information within seven (7) calendar days from receipt of the returned shop drawing, the Contractor shall have waived his right to any potential Change Order.
- 5.1.4 The Contractor shall submit shop drawings, coordination drawings, and schedules for review as required by the Contract Documents. The Contractor will provide a submittal schedule listing all shop drawings and submittals, the submission dates by the Contractor, and return dates from the Architect. This schedule will be provided fourteen (14) calendar days after the Notice to Proceed.
- 5.1.5 Shop drawings and schedules, other than catalogs, pamphlets, and similar printed material, shall be submitted with one reproducible plus one copy.
- 5.1.6 Each shop drawing or coordination drawing shall have a blank area 4 by 4 inches located adjacent to the title block. The title block shall display the following:
- 1) Number and title of drawing
 - 2) Date of drawing or revision

- 3) Name of project building or facility
- 4) Name of Contractor and (if appropriate) name of subcontractor submitting drawings
- 5) Clear identity of contents and location on the work
- 6) Project title and project number
- 7) Submittal number

5.1.7 Unless otherwise provided in this Contract or otherwise directed by RCHC, shop drawings, coordination drawings, and schedules shall be submitted to the Architect with a letter, sufficiently in advance of construction requirements to permit no less than twenty (21) calendar days for checking and appropriate action.

5.2 SAMPLES

5.2.1 After the award of the Contract, the Contractor shall deliver samples required by the specifications to RCHC for approval. The Contractor shall prepay any shipping charges. Any materials or equipment for which samples are required shall not be used in the Work until reviewed by RCHC.

5.2.2 Each sample shall have a label indicating:

- 1) Name of project building or facility, project title, and project number.
- 2) Name of Contractor and, if appropriate, name of subcontractor.
- 3) Identification of material or equipment with specification requirement.
- 4) Place of origin.
- 5) Name of manufacturer and brand (if any).
- 6) Identify by specification section.

5.2.3 Samples of finished materials shall have additional markings that will identify them in reference to the finish schedules.

5.2.4 The Contractor shall mail a letter in triplicate under separate cover submitting each shipment of samples and containing the information required in paragraph 5.2.2. He shall enclose a copy of this letter with the shipment and send a copy to RCHC's representative on the project. Approval of a sample shall be only for the characteristics or use named in such review and shall not be construed to change or modify any Contract requirement. Substitutions will not be permitted unless they are approved under paragraph 5.3.

5.2.5 Approved samples not destroyed in testing will be sent to RCHC. Approved samples of hardware in good condition will be marked for identification and may be used in the Work. Materials and equipment incorporated in the Work shall match the approved samples. Other samples not destroyed in testing or not approved will be returned to the Contractor at his expense if so requested at time of submission.

5.2.6 Failure of any material to pass the specified tests will be sufficient cause for refusal to consider any further samples of the same brand or make of that material or equipment under this Contract.

5.2.7 Samples of various materials or equipment delivered on the site or in place, may be taken by RCHC for testing. Samples failing to meet Contract requirements will automatically void previous approvals of the items tested. The Contractor shall replace such materials or equipment found not to have met Contract requirements, or there shall be a proper adjustment of the Contract price as determined by RCHC.

5.2.8 Unless otherwise specified, when tests are required, only one test of each sample proposed for use will be made at the expense of RCHC. Samples which do not meet specification requirements will be rejected. Requests for testing of additional samples by Contractor may be made by RCHC at the expense of the Contractor.

5.3 SUBSTITUTIONS

- 5.3.1** Wherever the name, or brand, or manufacturer of an article is specified in the Contract Documents, it is used as a measure of quality and utility or a standard. Except in those instances where the product is designated to match others presently in use, specifications calling for a designated material, product, thing or service by specific brand or trade name shall be deemed to be followed by the words "or equal" so that bidders may propose any equal material, product, thing, or service in their bid. If the Contractor desires to use any other brand or manufacturer of equal quality and utility to that specified, he shall list definite particulars of that which he considers equivalent to the specified item in his bid. The Contractor shall have thirty-five (35) days after the award of the Contract for submission of data substantiating substitution of "equal" items. RCHC will then determine whether or not the proposed name brand or article is equal in quality and utility to that specified in the Contract Documents, and its written decision shall be final.
- 5.3.2** No proposal will be considered unless accompanied by complete information and descriptive data necessary to determine the equality of the offered materials, articles, or equipment. Samples shall be provided when requested by RCHC.
- 5.3.3** The burden of proof as to the comparative quality or suitability of the offered materials, articles, or equipment shall be upon the Contractor. RCHC shall be the sole judge as to such matters. In the event that RCHC rejects the use of such alternative materials, articles, or equipment, then one of the particular products designated by brand name in the specifications shall be furnished.
- 5.3.4** RCHC will examine Contractor's submittals with reasonable promptness. Return of the submittals to the Contractor shall not relieve the Contractor from responsibility for deviations and alternatives from the Contract Documents nor shall it relieve him from responsibility for errors in the submittals. A failure by the Contractor to identify, in his letter of transmittal, material deviations from the Contract Documents shall void the submittal and any action taken thereon by RCHC. When specifically requested by RCHC, the Contractor shall resubmit such shop drawing(s), descriptive data, and samples as may be required.
- 5.3.5** If any mechanical, electrical, structural, or design revisions are required for the proper installation and fit of alternative materials, articles, or equipment, or because of deviations from the Contract Documents, such changes shall not be made without the consent of RCHC's authorized representative and shall be made without additional cost to RCHC, such costs, including the fees of the Architect, shall be borne by the Contractor.

ARTICLE 6 SCHEDULES

6.1 CONSTRUCTION SCHEDULE

- 6.1.1** The Contractor shall prepare and submit to RCHC within five days after work commences on the contract or another period of time determined by the Contracting Officer, three copies of a practicable schedule showing the order in which the Contractor proposes to perform the work, and the dates on which the Contractor contemplates starting and completing the salient features of the work (including acquiring materials and equipment). The schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion by any given date during the period. The scheduled completion date shall be the same as the contractual completion date, for the initial schedule and subsequent updates. Any proposed early completion date shall show the difference between that date and the contract completion date as Float, which shall belong to both RCHC and Contractor. If the Contractor fails to submit a schedule within the time prescribed, the Contracting Officer may withhold approval of progress payments or take other remedies under the contract until the Contractor submits the required schedule.

- 6.1.2 The Contractor shall submit any supplementary schedule or schedules as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained. If, in the opinion of the Contracting Officer, the Contractor falls behind the approved schedule, the Contractor shall take steps necessary to improve its progress, without additional cost to RCHC. In this circumstance, the Contracting Officer may require the Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant, and to submit for approval any supplementary schedule or schedules in chart form as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained. Failure of the Contractor to comply with the requirements of the Contracting Officer under this clause shall be grounds for a determination by the Contracting Officer that the Contractor is not prosecuting the work with sufficient diligence to ensure completion within the time specified in the contract, and the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part of it, in accordance with the default clause of the contract.
- 6.1.3 All schedule updates must accurately reflect the as-built schedule. There shall be no change to the Critical Path without RCHC's written consent. The Contractor shall enter the actual progress on the chart as required by the Contracting Officer, and immediately deliver three copies of the annotated schedule to the Contracting Officer.

ARTICLE 7 TIME, LIQUIDATED DAMAGES AND EXTENSIONS

7.1 TIME OF WORK

The Contractor shall commence the project upon receipt of the written Notice to Proceed (See: Article 1 for the Definition of the Notice to Proceed) and shall perform the work diligently to completion within the number of calendar days specified in the Contract. Neither site access nor physical work shall be commenced before the Contract is fully executed, and bonds, insurance and the schedule are submitted as required by the Contract Documents. No work shall be done on Saturday, Sunday and holidays and no work shall be performed outside of normal working hours without the prior written consent of RCHC, unless required by these Specifications. See: Working Hours.

7.2 LIQUIDATED DAMAGES

If the Work is not completed within the time required, damage will be sustained by RCHC. It is and will be impracticable and extremely difficult to ascertain and determine actual damage which RCHC will sustain by reason of such delay; and it is therefore agreed that Contractor will pay to RCHC the sum of \$300.00 per day for each and every day's delay in finishing the Work beyond the time prescribed. If the Contractor fails to pay such liquidated damages, RCHC may deduct the amount thereof from any money due or that may become due the Contractor under the Contract.

7.3 UNAVOIDABLE DELAYS

7.3.1 TIME EXTENSION

- a. The Contractor will be granted an extension of time for completion of the Work beyond that named in the Contract Documents, for delays which may result through causes beyond the control of the Contractor and which he could not have avoided by the exercise of care, prudence, foresight, and diligence. The appropriate extension of time shall constitute full compensation. Costs associated with extended overhead will not be considered.
- b. If the Contractor is allowed extensions of time in which to complete the Work equal to the

sum of all unavoidable delays, plus any adjustments of contract time due to contract change orders, during such extension of time liquidated damages shall not be charged to the Contractor.

- c. Unavoidable delays within the meaning of this section shall be those caused by Acts of God or of the public enemy, fire, epidemics, or strike. There will be no liquidated damages for delays as described within this paragraph.
- d. Delays in the performance of parts of the work which may in themselves be unavoidable, but do not necessarily prevent or delay the performance of critical activity(s) while the activity(s) is on the Critical Path, will not be considered as unavoidable delays within the meaning of the contract and shall not be the basis of a claim for delay.

7.3.2 WEATHER

Inclement weather shall not be a prima facie reason for granting a time extension. The Contractor shall make every effort to continue work under prevailing conditions. However, if the inclement weather prevents the Contractor from beginning at the usual starting time, or prevents the Contractor from proceeding with seventy-five percent (75%) of the normal labor and equipment force towards completion of the day's current Critical Path activities (shown on the most current, and accepted schedule update) for a period of at least five (5) hours, and the crew is dismissed as a result thereof, RCHC will designate such time as unavoidable delay and grant a one (1) calendar day, non-compensable, time extension.

7.3.3 NOTICE OF DELAYS

- a. Whenever the Contractor foresees any delay in the performance of a Critical Path work activity, and in any event immediately upon the occurrence of any delay which he regards as an unavoidable delay, the Contractor shall notify RCHC in writing of such delay and its cause, in order that RCHC may take immediate steps to prevent, if possible, the occurrence or continuance of the delay, and may determine whether the delay is to be considered avoidable or unavoidable, how long it continues, and to what extent the prosecution and completion of the work are to be delayed thereby.
- b. After the completion of any part or the whole of the Work, RCHC, in calculating the amount due the Contractor, will assume that any and all delays which have occurred have been avoidable delays, except such delays as shall have been called to the attention of RCHC at the time of their occurrence and found by RCHC to have been unavoidable as substantiated by a change order. The Contractor shall make no claims that any delay not called to the attention of RCHC at the time of its occurrence has been an unavoidable delay.

7.4 REQUEST FOR TIME EXTENSION

- 7.4.1 In the event the Contractor requests an extension of contract time for unavoidable delay, justification shall be submitted no later than seven (7) calendar days after the initial occurrence of any such delay. When requesting time for proposed change orders, the request(s) must be submitted with the proposed change order with full justification. If the Contractor fails to submit justification, he shall waive his right to a time extension at a later date. Justification must be based on the currently accepted contract schedule as updated at the time of occurrence of delay or execution of work related to any change(s) in the scope of work. The justification must include a schedule, including, but not limited to, the following information:

- a. The duration to perform the activity relating to the change(s) in the work and the resources (manpower, equipment, material, etc.) required to perform these activities within the stated duration.
- b. Logical activity ties to the contract schedule for the proposed changes and/or delay showing the activity/activities in the schedule whose start or completion dates are affected by the change and/or delay.

7.4.2 RCHC, after receipt of such justification and supporting evidence, shall make its finding of fact. RCHC's decision shall be final and conclusive and RCHC will advise the Contractor in writing of such decision. If the RCHC finds that the Contractor is entitled to any extension of Contract time, RCHC's determination as to the total number of days of extension shall be based upon the latest updated version of the approved contract schedule.

7.4.3 In the event the Contractor disagrees with RCHC's decision, the Contractor shall be required to submit a claim pursuant to the DISPUTE article.

ARTICLE 8 PERFORMANCE

8.1 SUPERVISION & CONSTRUCTION PROCEDURES

8.1.1 The Contractor shall supervise and direct the work. The Contractor shall be solely responsible for all construction means, methods, techniques, sequences, procedures, project safety, and shall coordinate all portions of the Work under the Contract, including the relations of the various trades to the progress of the Work, in accordance with the provisions of the Contract Documents.

8.1.2 The Contractor shall be responsible to RCHC for the acts and omissions of the Contractor's employees, subcontractors, and their agents and employees, and any other persons performing any of the work under a contract with the Contractor.

8.1.3 The Contractor is an independent contractor and nothing in the Contract Documents shall be interpreted to make the Contractor an agent of RCHC.

8.2 SUPERVISION

8.2.1 Within seven (7) days after the Notice to Proceed, the Contractor shall provide to RCHC an organization chart outlining key job personnel. The Contractor will also provide a Letter of Authority or Corporate Resolution for the individual(s) authorized to sign documents on its behalf, i.e., payment requests, change orders, inspection reports, etc.

8.2.2 The Contractor shall employ, during the progress of the Work, a competent Project Superintendent and any necessary assistants, as approved by RCHC. The Project Superintendent shall not be changed except with the consent of the Authorized Representative of RCHC, unless the Superintendent proves to be unsatisfactory to the Contractor or ceases to be in his employ. RCHC shall be notified immediately of any new Superintendent appointed to the Work and the Contractor shall submit qualifications for approval. The Superintendent shall represent the Contractor and all directions given to him shall be as binding as if given to the Contractor.

8.2.3 RCHC shall be supplied at all times with the name and telephone number of a person in charge of or responsible for the Work, who can be reached for emergency work twenty-four (24) hours a day, seven (7) days a week.

8.3 CONDUCT OF WORK

8.3.1 In connecting one kind of work with another, marring or damaging same will not be permitted and in the event such occurs, shall be corrected by the Contractor at its cost prior to acceptance by RCHC. Should improper work of any trade be covered by another which results in damage or defects, the whole work affected shall be made good by the Contractor without expense to RCHC.

8.4 PROTECTION OF WORK & PROPERTY

8.4.1 The Contractor shall continuously maintain adequate protection of the Work from damage and shall protect RCHC's property from injury or loss in connection with this Contract. He shall make good any such damage, injury, or loss, except what may be directly due to errors in the Contract Documents or caused by agents or employees of RCHC. He shall adequately protect adjacent property as provided by law and the Contract Documents.

8.4.2 The Contractor shall preserve and protect all structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the Work site which are not to be removed and which do not unreasonably interfere with the work required under this Contract.

8.4.3 The Contractor shall protect from damage all existing improvements and utilities at or near the Work site and on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. The Contractor shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this Contract or failure to exercise reasonable care in performing the Work. If the Contractor fails to repair the damage promptly, the RCHC may have the necessary work performed and charge the cost to the Contractor.

8.5 CONTRACTOR'S RESPONSIBILITY FOR WORK

8.5.1 Until Acceptance of the Work by RCHC, Contractor shall have the charge and care thereof and shall bear risk of injury or damage to any part of the Work by action of the elements. If a separate Contractor sues the Owner, on account of any loss so sustained, RCHC shall notify the Contractor, who shall indemnify and hold harmless RCHC against any expenses, or judgment arising therefrom.

8.5.2 Contractor, at its cost, shall rebuild, repair, restore and make good all damages from the elements to any portion of the Work occasioned by such causes before its Acceptance.

8.5.3 No advertising of any description will be permitted in or about the Work, except by order of RCHC.

8.5.4 Contractor shall not create or permit the continued existence of any nuisance in or about the Work.

8.6 UTILITIES

8.6.1 Unless otherwise provided for under separate sections herein, Contractor will arrange all water, gas, and electricity required for construction purposes until acceptance of the Work. Contractor shall pay for such services unless otherwise specifically noted.

8.6.2 Utilities shall not be interrupted except with the approval of RCHC. A two (2) workday written notice is required prior to any and all interruptions. Interruptions shall be scheduled so as to minimize duration and disruption to existing operations.

- 8.6.3 a. The Contractor shall send notices, make all necessary arrangements, and perform all other services required in the care and maintenance of all public utilities.
- b. Enclosing or boxing in, for protection of any public utility equipment, shall be done by the Contractor. Upon completion of the Work, the Contractor shall remove all enclosures, and leave in a finished condition.
- c. All connections to public utilities shall be made and maintained in a manner so as not to interfere with the continuing use of same by RCHC during the entire progress of the Work.

8.7 WORKING HOURS

- 8.7.1 All work shall be performed on a calendar day basis during the customary working hours of the trades involved unless otherwise specified in this Contract. Work performed by the Contractor of his own volition outside such established working hours shall be at no additional expense to RCHC and without RCHC approval.
- 8.7.2 It is expressly stipulated that no laborer, workman, or mechanic employed at any time by the Contractor or by any subcontractor(s) under this Contract upon the Work or any part thereof, shall be required or permitted to work thereon more than eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except, as provided by Section 1815 of the California Labor Code. It is further expressly stipulated that for each and every violation of Sections 1811-1815, inclusive, of the California Labor Code, all the provisions of which are deemed to be incorporated herein, said contractor shall forfeit, as a penalty to RCHC, twenty-five dollars (\$25.00) for each laborer, workman, or mechanic employed in the execution of this Contract by contractor for each calendar day during which said laborer, workman, or mechanic is required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of the provisions of said Sections of the Labor Code.
- 8.7.3 The Contractor, and each subcontractor, shall keep an accurate record showing the names of and actual hours worked each calendar day and each calendar week by all laborers, workmen, and mechanics employed by them in connection with the Work contemplated by this Contract, which record shall be open at all reasonable hours to the inspection of RCHC or its officers or agents and to the Division of Labor Standards Enforcement of the Department of Industrial Relations.
- 8.7.4 No construction work shall be done on Saturdays, Sundays or RCHC holidays and no work shall be performed outside of normal working hours without the prior written consent of RCHC. In any event, all work shall be subject to approval of RCHC. Prior to start of such work, the Contractor shall arrange with RCHC for the continuous or periodic inspection of the Work and testing of materials, when necessary. If requests are made by the Contractor for permission to work overtime, nights, Saturdays, Sundays or RCHC holidays, and such requests are granted, the Contractor shall bear all extra expense to RCHC for inspection and other incidental expenses caused by such overtime work. If contractors are requested, in the interest of RCHC, to work overtime by RCHC, or if overtime work is specifically required by these specifications, all extra expense of inspection will be paid by RCHC.

8.8 MATERIAL & EQUIPMENT

- 8.8.1 Materials, equipment, and articles incorporated into the Work shall be new and of equal quality to the types and grades specified. When not particularly specified, the Contractor shall submit for approval satisfactory evidence as to the kind and quality of material. See SUBSTITUTION provision 5.3 concerning "or equal" requirements and procedure for submitting alternative material, articles, or equipment.

8.8.2 All materials shall be delivered so as to insure a speedy and uninterrupted progress of the Work. All materials shall be stored so as to cause no obstruction and so as to prevent overloading of any portion of the structure on the Work site, and the Contractor shall be entirely responsible for damage or loss by weather, theft, vandalism, or other cause.

8.8.3 Materials shall be stored to assure the preservation of their quality and fitness for the Work. Stored materials shall be reasonably accessible for inspection. When considered necessary by RCHC, stored materials shall be placed on wooden platforms or on other hard, clean surfaces and not directly on the ground, and shall be placed under cover when so directed.

8.9 LAYOUT OF WORK

8.9.1 The Contractor shall lay out its work from established base lines and benchmarks indicated on the drawings and shall be responsible for all measurements in connection with the layout. The Contractor shall furnish, at its own expense, all stakes, templates, platforms, equipment, tools, material, and labor required to lay out any part of the Work. The Contractor shall be responsible for executing the Work to the lines and grades that may be established or indicated in the Contract Documents. The Contractor shall also be responsible for maintaining and preserving all stakes and other marks established by RCHC until authorized to remove them. If such marks are destroyed by the Contractor before their removal is authorized, RCHC may replace them and deduct the expense of the replacement from any amounts due or to become due to the Contractor.

8.10 USE OF PREMISES

8.10.1 The Contractor shall maintain the entire premises under his control in an orderly condition. He shall store his apparatus, materials, supplies and equipment in such a manner as will not interfere with the progress of his work or the work of other contractors.

8.11 OPERATIONS & STORAGE

8.11.1 The Contractor shall confine all operations (including storage of materials) on RCHC premises to areas authorized or approved by RCHC.

8.11.2 Temporary buildings (e.g., storage sheds, shops, offices) and utilities may be erected by the Contractor only with the approval of RCHC and shall be built with labor and materials furnished by the Contractor without expense to RCHC. The temporary buildings and utilities shall remain the property of the Contractor and shall be removed by the Contractor at his expense upon completion of the work.

8.11.3 The Contractor shall, under regulations prescribed by the authority having jurisdiction, use only established roadways, or use temporary roadways constructed by the Contractor when and as authorized by the authority having jurisdiction. When materials are transported in performance of the Work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any Federal, State, or RCHC regulation. When it is necessary to cross curbs or sidewalks, the Contractor shall protect them from damage. The Contractor shall repair, or pay for the repair, of any damaged curbs, sidewalks, or roads.

8.12 HEAT/POWER/LIGHT

8.12.1 Unless otherwise specified or already provided by RCHC, the Contractor shall:

- a. Provide heat, as necessary to protect all work, materials, and equipment against injury from dampness and cold;

- b. Provide heat as necessary in the area where work is to be done to provide the minimum temperature recommended by the supplier or manufacturer of the material;
- c. Provide electric power and light as required for performance of the Work.

8.13 CLEANING UP

8.13.1 The Contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. Before completing the Work, the Contractor shall remove from the work and premises any weeds, rubbish, tools, scaffolding, equipment, and materials that are not the property of RCHC. Upon completing the Work, the Contractor shall leave the work area in a clean, neat, and orderly condition satisfactory to RCHC.

ARTICLE 9 SAFETY & HEALTH

9.1 ACCIDENT PREVENTION

9.1.1 In performing this Contract, the Contractor shall provide for protecting the lives and health of employees and other persons; preventing damage to property, materials, supplies, and equipment; and avoiding work interruptions. For these purposes, the Contractor shall:

- a. Provide a copy of its safety program;
- b. Provide appropriate safety barricades, signs, and signal lights;
- c. Comply with standards issued by the U.S. Government, State, RCHC and City, and other governing agencies having jurisdiction;
- d. Ensure that any additional measures RCHC determines to be reasonably necessary for this purpose are taken.

9.1.2 The Contractor shall maintain an accurate record of exposure data on all accidents incident to work performed under this Contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment. The Contractor shall report this data in the manner prescribed by RCHC.

9.1.3 Before beginning excavation for a trench 5 feet or more in depth, Contractor shall provide evidence of having obtained a permit from the authority having jurisdiction.

9.1.4 Nothing herein shall be deemed to allow use of shoring, sloping, or protective systems less effective than those required by the Construction Safety Orders of the California Division of Industrial Safety.

9.2 SANITARY FACILITIES

9.2.1 Contractor shall supply and maintain at its expense such toilets and other sanitary facilities including those which are accessible by the disabled as per ADA and Title 24 requirements necessary for use by visitors and workers employed at the job site. Such facilities shall be approved by RCHC.

9.3 RESPONSIBILITY FOR COMPLIANCE WITH CAL-OSHA

9.3.1 All work, materials, work safety procedures and equipment shall be in full accordance with the latest Cal-OSHA rules and regulations.

9.3.2 Contractor warrants that he and each of his subcontractors shall, in performance of this Contract, comply with each and every compliance order issued pursuant to Cal-OSHA. The Contractor assumes full and total responsibility for compliance with Cal-OSHA standards by his subcontractors as well as himself. The cost of complying with any order and/or payment of any penalty assessed pursuant to Cal-OSHA shall be borne by the Contractor. Nothing contained therein shall be deemed to prevent the Contractor and his subcontractors from otherwise allocating between themselves responsibility for compliance with Cal-OSHA requirements; provided, however, that the Contractor shall not thereby, in any manner whatsoever, be relieved of his responsibility to RCHC as herein set forth.

9.4 **TOXIC AND HAZARDOUS MATERIALS AND WASTE**

9.4.1 **ASBESTOS**

Operations which may cause release of asbestos fibers into the atmosphere shall meet the requirements of Title 8 CCR General Industrial Safety Orders, Section 5208 and California law. Some operations which may cause such concentrations include sanding, grinding, abrasive blasting, sawing, drilling, shoveling, or otherwise handling materials containing asbestos so that dust will be raised.

9.4.2 **TOXIC MATERIALS**

Operations which release toxic materials into the atmosphere shall meet the requirements of Title 8 CCR, General Industrial Safety Orders. Some operations which may release such materials include use of adhesives, sealants, paint, and other coatings.

9.4.3 **LEAD-BASED PAINT**

Lead-based paint is prohibited. Lead-based paint is defined as:

- a. Any paint containing more than five-tenths of one percentum lead by weight (calculated as lead metal in the total non-volatile content of the paint) or the equivalent measure of lead in the dried film of paint applied or both; or
- b. For paint manufactured after June 22, 1977, any paint containing more than six one-hundredths of one percentum lead by weight (calculated as lead metal) in the total content of the paint or the equivalent measure of lead in the dried film or paint already applied.

9.4.4 **HAULING AND DISPOSAL**

All hauling and disposal shall meet requirements of Title 22 CCR, Division 4, Chapter 30, "Minimum Standards for Management of Hazardous and Extremely Hazardous Wastes."

9.4.5 **ASBESTOS PROHIBITED**

No products or materials containing asbestos shall be incorporated into the Work without the prior written approval of RCHC.

ARTICLE 10 RCHC-FURNISHED PROPERTY

10.1 **RCHC-FURNISHED PROPERTY**

- 10.1.1 RCHC may furnish to the Contractor property as identified in the specification(s) to be incorporated or installed into the Work or used in performing the Contract. The listed property will be furnished f.o.b. railroad cars at the place specified in the Contract or f.o.b. truck at the project site. The Contractor is required to accept delivery. When the property is delivered, the Contractor shall verify its quantity and condition and acknowledge receipt in writing to RCHC within twenty-four (24) hours of delivery, also specifying any damage to or shortage of the property as received. All such property shall be installed or incorporated into the Work at the expense of the Contractor, unless otherwise indicated in this Contract.
- 10.1.2 Each item of property to be furnished under this clause shall be identified by the Contractor in a schedule by quantity, item, and description. Schedule form will be provided by RCHC.
- 10.1.3 The Contractor shall be held responsible for all material delivered to him and deductions will be made from any moneys due him to make good any shortages and deficiencies, from any cause whatsoever, which may occur after such delivery.
- 10.1.4 The Contractor shall set up accounting records and establish an inspection procedure as approved by RCHC.

ARTICLE 11 BENEFICIAL OCCUPANCY

11.1 BENEFICIAL OCCUPANCY

- 11.1.1 RCHC shall have the right to take possession of or use any completed or partially completed portion of the Work. RCHC's possession or use shall not be deemed an acceptance of any Work under the Contract. The Contractor will continue to pay for any portion of the utilities which he is using.
- 11.1.2 While RCHC has such possession or use, the Contractor shall be relieved of the responsibility for the loss of or damage to that portion of the Work resulting from RCHC's possession or use. If Contractor believes the partial possession or use by RCHC will delay the progress of the Work or will cause additional expense to the Contractor, Contractor shall immediately submit a written request for an equitable adjustment in the Contract price or the time of completion. RCHC will then consider such request and, if in its judgment it is justified, RCHC will modify the contract in writing accordingly. In the event the Contractor disagrees with RCHC's decision, the Contractor shall be required to submit a claim pursuant to the DISPUTE article.

ARTICLE 12 INSPECTION AND TESTING

12.1 INSPECTION AND TESTING

- 12.1.1 The Contractor shall maintain an adequate inspection system and perform such inspections as will ensure that the work called for by this Contract conforms to contract requirements. The Contractor shall maintain complete inspection records and make them available to RCHC. RCHC shall at all times have access to the Work, and the Contractor shall provide proper facilities for such access and for inspection.
- 12.1.2 RCHC inspections and tests are for the sole benefit of RCHC and do not:
- a. Relieve the Contractor of responsibility for providing adequate quality control measures;
 - b. Relieve the Contractor of responsibility for damage to or loss of the material before Acceptance;

- c. Constitute or imply Acceptance; or
- d. Affect the continuing rights of RCHC after Acceptance regarding latent defects, gross mistakes, fraud or RCHC's rights under any warranty or guarantee.

- 12.1.3** The presence or absence of an RCHC inspector does not relieve the Contractor from any Contract requirement, nor is the inspector authorized to change any term or condition of the specifications without RCHC's written authorization.
- 12.1.4** The Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by the RCHC. The RCHC may charge to the Contractor any additional cost of inspection or test when work is not ready at the time specified by the Contractor for inspection or test, or when prior rejection makes reinspection or retest necessary. Special, full size, and performance tests shall be performed as described in the Contract.
- 12.1.5** The Contractor shall, without charge, replace or correct work found by the RCHC not to conform to contract requirements, unless in the public interest RCHC consents to accept the work with an appropriate adjustment in Contract price. The Contractor shall promptly segregate and remove rejected material from the premises.
- 12.1.6** If, before Acceptance of the Work, RCHC decides to examine already completed work by removing it or tearing it out, the Contractor, on request, shall promptly furnish all necessary facilities, labor, and material. If the work is found to be defective or nonconforming in any material respect due to the fault of the Contractor or its subcontractors, the Contractor shall defray the expenses of the examination and of satisfactory reconstruction. However, if the work is found to meet Contract requirements, RCHC shall issue a Change Order for such removal and reinstallation.
- 12.1.7** The Contractor shall at all times maintain proper facilities and provide safe access for inspection by RCHC to all parts of the work, and to the shops wherein the work is in preparation. Where the specifications require work to be specially tested or approved, it shall not be tested or covered up without timely notice to the RCHC of its readiness for inspection and without the approval or consent of RCHC. Should any such work be covered up without such notice, approval, or consent, it must, if required by RCHC, be uncovered for examination at the Contractor's expense.
- 12.1.8** The Contractor shall notify RCHC at least one (1) workday in advance of the time scheduled for the inspection. Should the Contractor fail to notify RCHC and proceed with work requiring inspection, all such work is rejected, and no further work shall be done on that portion of the project until the rejected work is accepted by RCHC. Should the Contractor request acceptance of such rejected work RCHC shall, at the Contractor's expense, secure the services of private material testing laboratories, consulting engineers or licensed land surveyors, who shall certify that said work does in fact conform to the requirements of the Contract Documents. The work previously rejected shall be accepted by RCHC after receipt of such certification if RCHC approves of such certification.
- 12.1.9** If the Contractor does not promptly replace or correct rejected work, RCHC may (1) by contract or otherwise, replace or correct the work and charge the cost to the Contractor or (2) terminate for default the Contractor's right to proceed.
- 12.1.10** Construction review of the Contractor's performance by RCHC is not intended to include the review of the adequacy of the Contractor's safety measures, in, on, or near the construction site.
- 12.1.11** The RCHC will pay for initial testing services specified to be performed by RCHC. When initial tests

indicate non-compliance with the Contract Documents, subsequent retesting occasioned by the non-compliance shall be performed by the same testing agency, and costs thereof will be deducted by RCHC from the Contract Sum.

12.2 INSPECTION BY OTHER JURISDICTIONS

Whenever any part of the Work to be performed is under the jurisdiction or control of another public entity, including but not limited to: The United States Government, State of California, or City, such work shall be subject to inspection by the officials of such entities and it must pass inspection, in addition to RCHC inspection, and such other inspections as may otherwise be provided for in the Contract Documents.

12.3 FINAL INSPECTION AND TESTS

The Contractor shall give RCHC at least ten (10) calendar days advance written notice of the date the Work will be fully completed and ready for final inspection and tests. Final inspection and tests will be started within ten (10) calendar days from the date specified in the aforementioned notice unless RCHC determines that the Work is not ready for final inspection and so informs the Contractor.

ARTICLE 13 ACCEPTANCE

13.1 ACCEPTANCE OF THE WORK

13.1.1 After the final inspection by RCHC and all the contract documentation has been received, it will be recommended to the RCHC Board of Directors to accept the Work and file a Notice of Completion. Upon approval of the Notice of Completion, a copy will be sent to the Contractor. (See final payment clause.) Upon Acceptance of the Work, Contractor will be relieved of the duty of maintaining and protecting the Work. Neither determination by RCHC that the Work is complete, nor Acceptance thereof, shall operate as a bar to RCHC's claim against Contractor pursuant to Contractor's warranty and guarantees.

13.1.2 Partial payments shall not be construed as acceptance of any part of the Work.

13.1.3 In judging the Work, no allowance for deviations from the drawings and specifications will be made, unless already approved in writing at the time and in the manner as called for herein.

13.1.4 RCHC shall be given adequate opportunity to make any necessary arrangements for fire insurance and extended coverage.

13.1.5 The Acceptance of the Work will not be recommended until all requirements of the Contract Documents are complete and approved by RCHC. This shall include, but is not limited to, all construction, guarantee forms, parts lists, schedules, tests, operating instructions, as-built drawings, and all other documentation identified by the Contract Documents.

ARTICLE 14 WARRANTY AND GUARANTEES

14.1 CONTRACTOR'S WARRANTY AND GUARANTEE

14.1.1 Contractor warrants that all materials and equipment furnished under this Contract shall be new unless otherwise specified, and that all Work performed under this Contract conforms to the Contract requirements and is free of any defect whether performed by the Contractor or any subcontractor or supplier.

14.1.2 This warranty shall continue for a period of one (1) year from the date of filing of Notice of Completion on the

Work. The Performance Bond shall remain in force during the warranty period.

- 14.1.3** The Contractor shall remedy at the Contractor's expense any damage to RCHC-owned or controlled real or personal property, when that damage is the result of:
- a. The Contractor's failure to conform to Contract requirements or
 - b. Any defect of equipment, material, workmanship, or design furnished by the Contractor.
- 14.1.4** The Contractor shall restore any work damaged in fulfilling the terms and conditions of this Article. The Contractor's warranty with respect to work repaired or replaced will run for one (1) year from the date of repair or replacement.
- 14.1.5** RCHC shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage. The Contractor shall within ten (10) calendar days after being notified in writing by RCHC of any work not in accordance with the requirements of the Contract or any defects in the Work, commence, and perform with due diligence, all work necessary to fulfill the terms of this Article. If the Contractor fails to remedy any defect, or damage within fourteen (14) calendar days after receipt of notice, the RCHC shall have the right to replace, repair, or otherwise remedy the defect, or damage at the Contractor's expense. Payment due to the Architect from RCHC for extra architectural services required in the enforcement of Contractor's guarantee after Acceptance of the Work shall be paid to RCHC by the Contractor.
- 14.1.6** In the event of any emergency constituting an immediate hazard to health or safety of RCHC employees, property, or licensees, when caused by work of the Contractor that is not in accordance with the Contract requirements, RCHC may undertake at Contractor's expense and without prior notice, all work necessary to correct such hazardous condition(s).
- 14.1.7.** With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this Contract, the Contractor shall:
- a. Obtain all warranties that would be given in normal commercial practice;
 - b. Require all warranties to be executed, in writing, for the benefit of RCHC, unless directed otherwise by RCHC; and
 - c. Enforce all warranties for the benefit of RCHC, unless otherwise directed by RCHC.
- 14.1.8** This warranty shall not limit RCHC's rights under the Inspection and Acceptance section(s) of this Contract with respect to latent defects, gross mistakes, or fraud.

ARTICLE 15 ENVIRONMENTAL PROTECTION

15.1 DUST CONTROL

- 15.1.1** The Contractor shall provide any and all dust control required.
- 15.1.2** Whenever the Contractor is negligent in providing dust control, RCHC shall order the Contractor to provide such dust control. If the Contractor does not comply promptly with such order, RCHC shall have the authority to provide such dust control and charge the Contractor therefore by deducting the cost from progress payments to the Contractor as such costs are incurred by RCHC. RCHC shall not be held responsible for schedule delays due to actions taken by RCHC to mitigate the failure of the Contractor in providing dust control.

15.2 EXCESSIVE NOISE

15.2.1 The Contractor shall use only such equipment on the Work and in such state of repair that the emission of sound therefrom is within the noise tolerance level of that equipment as established by CAL-OSHA.

15.2.2 Should RCHC determine that the muffling device on any equipment used on the Work is ineffective or defective so that the noise tolerance of such equipment is exceeded, such equipment shall not, after such determination by RCHC, be used on the Work until its muffling device is repaired or replaced so as to bring the noise tolerance level of such equipment within such standards.

15.3 POLLUTION CONTROL, CLEANING

The Contractor shall not, in connection with the Work, discharge any smoke, dust, or other contaminants into the atmosphere which are in violation of South Coast Air Quality Management District standards or discharge any fluids or materials into any lake, river, stream, or channel as will violate regulations of State of California Water Resources Board. The Contractor shall control accumulation of waste materials and rubbish and dispose of waste materials and rubbish off-site at a minimum of weekly intervals. Burning of materials is not permitted.

ARTICLE 16 EMPLOYMENT PRACTICES

16.1 QUALIFICATIONS FOR EMPLOYMENT AND APPRENTICESHIP STANDARDS

16.1.1 In accordance with Section 1735 of the California Labor Code, no person under the age of 16 years and no person currently serving sentence in a penal or correctional institution shall be employed to perform any Work under this Contract. No person whose age or physical condition is such as to make his employment dangerous to his health or safety or to the health or safety of others shall be employed to perform Work under this Contract; provided that this requirement shall not operate against any physically handicapped persons otherwise employable where such persons may be safely assigned to Work which they ably perform.

16.1.2 This contract is subject to the provisions of Sections 1777.5 and 1777.6 of the California Labor Code concerning the employment of apprentices by the Contractor or any subcontractor under him. Section 1777.5 as amended, requires the Contractor or subcontractor employing tradesmen in any apprenticeable occupation to apply to the Joint Apprenticeship Committee nearest the site of this project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentices to journeymen that will be used in the performance of the Contract.

16.1.3 The Contractor is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other contractors on the public works site are making contributions.

16.1.4 All employees engaged in work on the project under this Contract shall have the right to organize and bargain collectively through representatives of their own choosing, and such employees shall be free from interference, restraint, and coercion of employers in the designation of such employees for the purpose of collective bargaining or other mutual aid or protection, and no person seeking employment under this Contract shall be required as a condition of initial or continued employment to join any company, union, or to refrain from joining, organizing, or assisting a labor organization of such person's own choosing. No person in the employment of the RCHC shall be employed by this contractor.

16.2 WAGES & RECORDS

16.2.1 WAGE RATES

- a. Pursuant to Section 1770 and 1773 et seq. of the Labor Code of the State of California, the Director of Industrial Relations has ascertained the general prevailing rate of per diem wages and the rates for overtime and holiday work in the locality in which the work is to be performed for each craft, classification, or type of workman needed to execute the contract which will be awarded to the successful bidder, copies of which are on file and available upon request at the Clerk of the Board, Board of Supervisors, 4080 Lemon St., 14th Floor, Riverside, CA 92501-3655, and shall be posted at the job site.
- b. It shall be mandatory upon the Contractor and upon any subcontractor under him, to pay not less than the said specified rates to all laborers, workmen, and mechanics employed in the execution of the Contract. It is further expressly stipulated that the Contractor shall, as a penalty to RCHC, forfeit two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each laborer, workman, or mechanic paid less than the stipulated prevailing rates for any work done under this Contract by him or by any subcontractor under him; and Contractor agrees to comply with all provisions of Section 1770 et. seq. of the Labor Code.
- c. In case it becomes necessary for the Contractor or any sub-contractor to employ on the project under this Contract any person in a trade or occupation (except executives, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate is herein specified, the Contractor shall immediately notify RCHC who will promptly thereafter determine the prevailing rate for such additional trade or occupation and shall furnish the Contractor with the minimum rate based thereon. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.
- d. RCHC 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 as provided herein. 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 RCHC on the Contract.

16.2.2 WAGE RECORDS

- a. The Contractor and each subcontractor shall keep or cause to be kept an accurate record (certified payroll) showing the names and occupations of all laborers, workers, and mechanics employed by him in connection with the execution of this Contract or any subcontract thereunder. The record shall show the actual per diem wages paid to each of said workers, which records shall be provided to RCHC, and to the Division of Labor Standards Enforcement upon its request. Copies provided will include one which has the name and social security numbers marked out.

16.3 NOTICE OF LABOR DISPUTES

- 16.3.1 If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor shall immediately give notice, including all relevant information, to RCHC.

16.3.2 The Contractor agrees to insert the substance of this clause, including this paragraph into any subcontract in which a labor dispute may delay the timely performance of this Contract; except that each subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the subcontractor shall immediately notify the next higher tier subcontractor or the prime Contractor, as the case may be, of all relevant information concerning the dispute.

16.4 NONDISCRIMINATION

16.4.1 EQUAL EMPLOYMENT OPPORTUNITY

- a. Contractor agrees for the duration of this Contract that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap. The Contractor will take affirmative action to insure that employee(s) are treated during employment or training without regard to their race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The Contractor will in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap.
- c. The Contractor will send to each labor union or other representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the workers' representative of the Contractor commitments under this agreement.
- d. The Contractor agrees that it will comply with the provisions of Titles VI and VII of the Civil Rights Act, Revenue Sharing Act Title 31, U.S. Code Section 2716, and California Government Code Section 12990.
- e. The Contractor agrees that it will assist and cooperate with RCHC, the State of California and the United States Government in obtaining compliance with the equal opportunity clause, rules, regulations, and relevant orders of the State of California and United States Government issued pursuant to the Acts.
- f. In the event of Contractor's non-compliance with the discrimination clause, the affirmative action plan, or with any of the said rules, regulations or orders, this Contract may be canceled, terminated, or suspended in whole or in part by RCHC

16.4.2 HANDICAPPED NON-DISCRIMINATION

This project is subject to Section 504 of the Rehabilitation Act of 1973 as amended, (29 U.S.C. 794), and the Americans with Disabilities Act of 1990, as amended, and all requirements imposed by the guidelines and interpretations issued thereto. In this regard, the RCHC and all of its contractors and subcontractors will take all reasonable steps to ensure that handicapped individuals have the maximum opportunity for the same level of aid, benefit or service as any other individual.

16.4.3 FAIR EMPLOYMENT AND HOUSING ACT ADDENDUM

In the performance of this Contract, the Contractor will not discriminate against any employee or Applicant for employment because of race, sex, color, religion, ancestry, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, sex, color, religion, ancestry, or national origin. Such action shall include, but not limited to, the following: employment, upgrading, promotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State or local agency setting forth the provisions of this Fair Employment and Housing Section.

16.4.4 ACCESS TO RECORDS

The Contractor will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment and Housing Commission, or any other agency of the State of California designated by the awarding authority, for the purposes of investigation to ascertain compliance with the Fair Employment and Housing section of this Contract.

16.4.5 REMEDIES FOR WILLFUL VIOLATION

The State or local agency may determine a willful violation of the Fair Employment and Housing provision to have occurred upon receipt of a final judgment having that effect from a court in an action to which Contractor was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that the Contractor has violated the Fair Employment and Housing Act and has issued an order or obtained an injunction under Government Code Sections 12900, et seq.

ARTICLE 17 SUBCONTRACTING

17.1 SUBCONTRACTORS

- 17.1.1 A subcontractor is an individual, firm or corporation having a direct contract with the Contractor or with any other subcontractor for the performance of a part of the Work. In accordance with Section 4104 of the Public Contract Code, each Contractor, in his bid, shall include the name and location of each subcontractor who will perform work or labor, or render services to the Contractor in or about the Work in an amount in excess of one half of 1% of the Contractor's total bid.
- 17.1.2 RCHC reserves the right to approve all subcontractors. Such approval shall be a consideration to the awarding of the Contract and unless notification to the contrary is given to the Contractor prior to the signing of the Contract, the list of subcontractors which is submitted with his proposal will be deemed to be acceptable.
- 17.1.3 The Contractor shall be as fully responsible to RCHC for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him.
- 17.1.4 Nothing contained in the Contract Documents shall create any contractual relationship between any subcontractor and RCHC.
- 17.1.5 The divisions or sections of the specifications are not intended to control the Contractor in dividing the Work

among subcontractors or to limit the work performed by any trade.

17.2 RELATIONS OF CONTRACTOR AND SUBCONTRACTOR

17.2.1 The Contractor agrees to bind every subcontractor by the terms of the Contract with RCHC, the General Conditions, Supplementary Conditions, and the drawings and specifications as far as applicable to his work, unless specifically noted to the contrary in a subcontract approved in writing as adequate by RCHC.

17.3 SUBCONTRACTS

17.3.1 Pursuant to the provisions of Sections 4100 to 4114 of the California Public Contract Code, inclusive, the Contractor shall not, without the consent of RCHC, either:

- a. Substitute any persons as subcontractors in place of the subcontractors designated in his original bid without the consent of RCHC. (RCHC's consent can only be given in cases permitted by Public Contract Code Section 4107.)
- b. Permit any subcontract to be assigned or transferred or allow any work to be performed by anyone other than the original subcontractor listed in his bid.
- c. Sublet or subcontract any portion of the work in excess of one-half of one percent of his bid to which his original bid did not designate a subcontractor.

Should the Contractor violate any of the provisions of Sections 4100 to 4114, inclusive, of the Public Contract Code, his so doing shall be deemed a violation of this Contract, and RCHC may either cancel the contract, or assess the Contractor a penalty in the amount of not more than ten (10) percent of the amount of the subcontract involved, or both.

ARTICLE 18 TAXES

18.1 SALES AND PAYROLL TAXES

18.1.1 Each Contractor, subcontractor, and material dealer shall include in their bid all applicable taxes including but not limited to sales tax and payroll taxes required by law.

ARTICLE 19 CHANGES

19.1 CHANGE ORDER WORK

19.1.1 RCHC reserves the right to make changes in the work without impairing the validity of the Contract. RCHC may make changes to the work, or suspend the work, and all such changes or suspension are within the contemplation of the parties and will not be a basis for compensable delay. Such changes may be made in accordance with any of the following methods:

- a. By written change order to the Contract ordered by the Board of Commissioners.
- b. By written change order, signed by the Contracting Officer, in the manner and amounts specified by RCHC procurement and procedure manual.
- c. By written authorization, issued by the Contracting Officer, for items of work done under unit prices. The cost or credit for such added or omitted work shall be determined by multiplying the number of units added to or omitted from the work by the applicable unit price.

- 19.1.2** Upon receipt of a proposed Change Order from RCHC, the Contractor shall submit a proposal in accordance with the requirements and limitations set forth in this "Change Orders" article, for work involved in the contemplated change.
- 19.1.3** The Contractor must submit a cost proposal within fifteen (15) calendar days after receipt of the proposed change order. The Contractor must submit cost proposals in less than fifteen (15) calendar days if requested by RCHC or if required by schedule limitations.
- 19.1.4** If the Contractor fails to submit the cost proposal within the 15-day period (or as requested), RCHC has the right to order the Contractor in writing to commence the work immediately on a force account basis and/or issue a lump sum change to the contract price in accordance with RCHC's estimate of cost. If the change is issued based on RCHC estimate, the Contractor will waive his right to dispute the action unless within fifteen (15) calendar days following completion of the added/deleted work, the Contractor presents proof that RCHC's estimate was in error.
- 19.1.5** If RCHC disagrees with the proposal submitted by Contractor, it will notify the Contractor in writing and the Contractor may elect to proceed under the DISPUTE article of this Contract, or, in the event either party contests the price or time extension of Change work, or time is of the essence, RCHC may issue a Construction Change Directive and the contractor shall proceed with the work. RCHC will provide its opinion of the appropriate price and/or time extension in a "Response to Change Order Request." If the contractor agrees with RCHC's estimate, a change order will be issued by RCHC. If no agreement can be reached, RCHC shall have the right to issue the Change Order Directive setting forth its unilateral determination of the reasonable additions or savings in costs and time attributable to the extra or deleted work. Such determination shall become final and binding if the Contractor fails to submit a Claim in writing to RCHC, within twenty-one (21) days of the Change Order Directive, disputing the terms of such Directive. No dispute, disagreement, or failure of the parties to reach agreement regarding the amount, if any, of any adjustment to the contract sum or contract time shall relieve the Contractor from the obligation to proceed with performance of the work, including extra work, promptly and expeditiously.
- 19.1.6** The Contractor will give notice of a requested change on his letterhead within seven (7) calendar days of discovery and, if RCHC agrees, a proposed change order will be issued on RCHC's standard change order form.
- 19.1.7** If any change involves an increase or decrease in the cost of the Contractor's work, a change order shall state the amount to be added or deducted from the Contract amount, and the additional time, if any, needed for the performance of such work.
- 19.1.8** Any changes to the Contract amount shall be in a lump sum mutually agreed to by the Contractor and RCHC, except that when, in the opinion of RCHC, such basis is not feasible the change to the Contract amount shall be determined upon a cost-plus-percentage basis with a guaranteed maximum lump sum cost within the limitations provided by law.
- 19.1.9** Each lump sum quotation from the Contractor shall be accompanied by sufficiently detailed estimates to permit verification of totals in accordance with (a) through (d) in 19.1.11 below.
- 19.1.10** When the work is to be done on a cost-plus-percentage basis, the Contractor shall submit statements as required by RCHC showing all labor, material, and equipment costs incurred, and upon completion of the work, a summary of costs, including overhead and profit, and in accordance with Item (a) through (d) in 19.1.11 below.

19.1.11 Estimates for lump sum quotations and accounting for cost-plus-percentage work shall be limited to direct expenditures necessitated specifically by the subject extra work, and shall be segregated as follows:

- a. Labor. The costs of labor will be the actual cost for wages prevailing locally for each craft or type of worker at the time the extra work is done, plus employer payments of payroll taxes and insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from Federal, State, or local laws, as well as assessment or benefits required by lawful collective bargaining agreements. The use of a labor classification which would increase the extra work cost will not be permitted unless the contractor establishes the necessity for such additional costs. Labor costs for equipment operators and helpers shall be reported only when such costs are not included in the invoice for equipment rental.
- b. Materials. The cost of materials reported shall be at invoice or lowest current price at which such materials are locally available in the quantities involved, plus sales tax, freight and delivery.
- c. Tool and Equipment Use. No payment will be made for the use of tools which have a replacement value of \$100 or less. Regardless of ownership, the rates to be used in determining equipment use costs shall not exceed listed rates prevailing locally at equipment rental agencies, or distributors, at the time the work is performed.
- d. Overhead, Profit and Other Charges. The mark-up for overhead and profit on work added to the Contract shall be according to the following Schedule.
 - (1) For work performed by the Contractor's forces the added cost for overhead and profit shall not exceed fifteen (15%) percent of the net cost of the work, equipment, labor and materials.
 - (2) For work performed by a subcontractor, the added cost for overhead and profit shall not exceed fifteen (15%) percent of the net cost of the work, equipment, labor, and materials, to which the Contractor may add five percent (5%) of the subcontractor's price of the work.
 - (3) For work performed by a sub-subcontractor the added cost for overhead and profit shall not exceed fifteen (15 %) percent of the net cost for work, equipment, labor, and materials to which sub-contractor and general contractor may each add an additional five (5 %) percent of the total price from the lower tier subcontractor.
 - (4) "Net Cost" is defined as consisting of costs of labor, materials and equipment use and/or rental only. The costs of applicable insurance and bond premium will be reimbursed to the Contractor and subcontractors at cost only, without mark-up.
 - (5) The cost of direct supervision, except when provided by working foreman whose time is included above, of change order work when done exclusively, and not in conjunction or at the same time as, other work performed on the job and when approved in advance by RCHC's authorized representative, including only payroll taxes, insurance, pension and direct costs for the labor of supervision may be charged to the change order. The cost of transportation, use of vehicle and other costs incurred by supervision will not be allowed.

- 19.1.12** For added or deducted work by subcontractors, the Contractor shall furnish to RCHC the subcontractor's signed detailed estimate of the cost of labor, material, and equipment, including the markup by such subcontractor for overhead and profit. The same requirement shall apply to sub-subcontractors.
- 19.1.13** For added or deducted work furnished by a vendor or supplier, the Contractor shall furnish to RCHC a detailed estimate or quotation of the cost to the Contractor for such work, signed by such vendor or supplier.
- 19.1.14** Any change in the work involving both extras and credits shall show a new total cost, including subcontracts. Allowance for overhead and profit, as specified therein, shall be applied if the net total cost is an extra; overhead and profit allowances shall not be applied if the net total cost is a credit. The estimated cost of deductions shall be based on labor and material prices on the date the Contract was executed.
- 19.1.15** The Contractor shall identify any adjustment in time of the final completion of the Work as a whole which is directly attributable to the changed work within fifteen (15) calendar days of receipt of the proposed change order. The Contractor's request for a change in time will be supported by a detailed schedule analysis including a schedule indicating the activities which have been affected and the additional time being requested.
- a. For a change in time for the Work, the Contractor shall be entitled only to such adjustments where completion of the entire Work (critical path) is delayed due to the performance of the changed work. Failure to request extra time when submitting such estimate shall constitute waiver of the right to subsequently claim adjustment in time for final completion based upon such changed work.
 - b. If RCHC and the Contractor fail to arrive at an agreement on the amount of extra cost, credit or time extension for a proposed change, a change order will be processed in the amount believed by RCHC to be reasonable, and the Contractor shall proceed with the work. If the Contractor believes that the amount or time stipulated in the change order is not reasonable for the work required, he may elect to issue a notification in accordance with the DISPUTES article for review by RCHC, stating therein the basis for his dispute with such change order.
- 19.1.16** Any change in the Work shall conform to the original Contract Documents insofar as they may apply without conflict to the conditions involved in the change.
- 19.1.17** Payment for additional work or extras, if any, shall become due and payable in accordance with the provisions for payment in the Contract.
- 19.1.18** Contractor shall not reserve a right to assess impact cost, extended job site costs, extended overhead, and/or constructive acceleration at a later date as related to any and all changes. All costs or estimated costs must be supported with full schedule and cost documentation with each proposed change within the prescribed submission times. If a request for a change is denied and the Contractor disputes the denial, the Contractor must supply the aforementioned documentation to support his claim under the DISPUTES article of this Contract. No claims shall be allowed for impact, extended overhead costs, and/or construction acceleration due to the multiplicity of changes and/or clarifications. Any attempt by Contractor to change or modify the change order form (sample included herein) shall void the form, including any letters the Contractor may issue in conjunction therewith.
- 19.1.19** All alterations, extensions of time, extra and additional work and other changes authorized by these specifications or any part of the Contract may be made without securing consent of the surety or sureties on the contract bonds.

19.2 CHANGE ORDERS AND LABOR RATES GUIDELINES

19.2.1 The following are guidelines for preparing change orders:

a. Labor Rates:

- (1) To establish the labor rate for each classification and trade, a breakdown shall be submitted to RCHC.
- (2) Labor rates are based on current prevailing state and federal wages. Only those benefits mandated by law or a valid labor contract are paid by RCHC.
- (3) Payroll taxes shall be paid as mandated by law. Labor related insurances shall be paid according to industry standard average.
- (4) No other costs related to labor shall be paid by RCHC.

b. Change Orders:

- (1) Change orders shall be prepared in accordance with the project contract.
- (2) No insurance costs are paid by RCHC, except for labor insurances specified in this guideline under section 1 titled "LABOR RATES".
- (3) Material cost shall be broken down on a separate sheet, and for those jobs designated as time and material shall be supported by valid invoices from suppliers.
- (4) Hours for non-productive labor, such as non-working foremen or general foremen, shall be paid only when justified in the opinion of RCHC, and approved by RCHC. The total number of nonproductive labor hours shall be limited to a maximum of 15% of the total number of productive labor hours.
- (5) Cost of use of special equipment shall be paid when justified in the opinion of RCHC and approved by RCHC. Equipment refers to special equipment that is needed to perform that specific job and does not include the usual tools customarily required for that trade. Small tools costs are not paid by RCHC.
- (6) Material transportation costs are paid by RCHC when justified in the opinion of RCHC and approved by RCHC's authorized representative.
- (7) Overhead, profit, and fees on subcontracts, are paid according to the contract.
- (1) No costs other than those designated above shall be paid by RCHC. The percentages of overhead and fee allowed with change orders have been established to account for any other direct or indirect costs that might be incurred due to the change order.

19.3 AUDIT

- 19.3.1** RCHC shall have the right to examine and audit all books, estimates, records, contracts, bid documents, subcontracts, and other data of the Contractor, (including computations and projections) related to negotiating, pricing, or performing the modification in order to evaluate the accuracy and completeness of the cost or pricing data at no additional cost to RCHC.
- 19.3.2** The Contractor shall make available at its office at all reasonable times the materials described in paragraph 19.3.1 above, for examination, audit, or reproduction, until 4 years after final payment under this Contract.
- 19.3.3** The Contractor shall insert a clause containing all the provisions of this 19.3, including this paragraph, in all subcontracts over \$10,000 under this contract.

ARTICLE 20 PAYMENT

20.1 PROGRESS PAYMENTS

- 20.1.1** RCHC shall pay the Contractor the price as provided in this Contract.
- 20.1.2** RCHC shall make progress payments monthly as the Work proceeds, on estimates approved by RCHC. The Contractor shall furnish a breakdown of the total contract price, in a format provided by RCHC, showing the amount included therein for each principal category of the work, in such detail as requested, to provide a basis for determining progress payments.
- 20.1.3** Contractor shall submit to RCHC vouchers, schedule activities, or other satisfactory proof of the value of any work for which he claims payment on such account, and receipts showing that progress payments have been duly made on such contracts, and for materials furnished.
- 20.1.4** In the preparation of estimates, RCHC may authorize 75% of the value of material delivered and satisfactorily stored on the site, and preparatory work done to be taken into consideration for major equipment if:
- a. Consideration is specifically authorized by this Contract; and
 - b. The Contractor furnishes certified receipt that it has acquired title and paid invoices for such material and that the material will be used to perform this Contract.
- 20.1.5** On the 25th of each month the Contractor will submit his request for payment. Prior to that submittal RCHC will review the requested percentage of completion for each activity. The payment request will be in the format as provided by RCHC and will refer to the schedule.
- 20.1.6** Upon receipt of a payment request, RCHC shall:
- a. Review that request as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request; and
 - b. Any payment request determined not to be a proper request suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) calendar days after receipt. The returned request for payment shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.
- 20.1.7** Any progress payment which is undisputed and properly submitted and remains unpaid for thirty (30) calendar days after receipt by RCHC shall accrue interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the California Code of Civil Procedure. The number of days available to

RCHC to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which RCHC exceeds the seven-day return requirement set forth in 20.1.6 above.

- 20.1.8** In making these progress payments, there shall be retained five percent (5%) from the amount of each progress payment until the work is complete.
- 20.1.9** Except as otherwise prohibited by law, the Contractor may elect to receive all payments due under the contract pursuant to this section without any retention, by posting securities in accordance with Public Contract Code Section 22300.
- 20.1.10** Contractor and each subcontractor shall pay each of its employees engaged in work under this Contract in full (less deductions made mandatory by law) in accordance with California law.
- 20.1.11** RCHC may withhold (in excess of retentions) or, on account of subsequently discovered evidence, nullify the whole or a part of any certificate to such extent as may be necessary to protect RCHC from loss on account of:
- a. Defective work not remedied.
 - b. Claims filed or reasonable evidence indicating probable filing of claims.
 - c. Failure of the Contractor to make payments properly to subcontractors or for material or labor.
 - d. Damage to another Contractor.
 - e. Delays in progress toward completion of the work, with the stipulated amount of liquidated damages being withheld for each day of delay for which no extension is granted.
 - f. Default of the Contractor in the performance of the terms of the Contract.
- 20.1.12** Should stop notices be filed with RCHC, RCHC shall withhold the amount required plus 25% from certificates until such claims shall have been resolved pursuant to applicable law. California Civil Code Section 9000 et seq.
- 20.1.13** Contractor shall provide (1) forms of conditional releases of stop notice and bond rights upon progress payment, complying with California Civil Code Section 8132, for all work performed during the time period covered by the current Application for Payment, signed by the Contractor and the subcontractors of every tier; and (2) forms of unconditional release of stop notice and bond rights upon progress payment, complying with Civil Code Section 8134 for all work performed during the time period covered by previous Application for Payment, signed by Contractor and the subcontractors of every tier.
- 20.1.14** All material and work covered by progress payments made shall, at the time of payment, become the sole property of RCHC, but this shall not be construed as:
- a. An acceptance of any work not in accordance with the Contract Documents; or
 - b. Waiving the right of RCHC to require the fulfillment of all of the terms of the contract.

20.2 FINAL PAYMENT

20.2.1 GENERAL

- a. RCHC shall pay the amount due the Contractor under this Contract after:
 - 1.) The Acceptance of all work and Notice of Completion per the terms of this Contract;
 - 2.) Presentation of a properly executed voucher;
 - 3.) Submission of conditional releases and waivers of stop notice and bond rights upon final payment in the form required by California Civil Code Section 8136 executed by Contractor and by all the subcontractors of every Tier.
 - 4.) Presentation of release of all claims against RCHC arising by virtue of this Contract, other than claims and disputes in stated amounts that the Contractor has specifically excepted from the operation of the release.
- b. The Contractor may, if any subcontractor refuses to furnish a release or receipt in full, furnish a bond satisfactory to RCHC, to indemnify him against any lien.

20.2.2 FINAL CERTIFICATE FOR PAYMENT

- a. When the work is ready for acceptance by RCHC, they will certify a Notice of Completion. Upon approval of the Notice of Completion, a copy will be sent to the Contractor.
- b. Notice of Completion will be recorded by RCHC upon completion and Acceptance of the Work. Providing no stop notices have been filed, thirty-five (35) calendar days after filing of such Notice of Completion, payment due under the contract will become due to the Contractor and RCHC shall so certify authorizing the final payment.

20.2.3 FINAL PAYMENT

- a. After Acceptance of Work, RCHC will submit to Contractor a statement of the sum due Contractor under this contract, together with RCHC's payment in the amount thereof. Said statement shall take into account the contract price, as adjusted by any change orders; amounts already paid; sums to be withheld for incomplete work; liquidated damages; and for any other cause under the Contract.
- b. The Contractor shall, from the effective date of Acceptance until the expiration of four years after final settlement under this Contract, preserve and make available to RCHC, all its books, records, documents, and other evidence bearing on the costs and expenses of the Contractor under this Contract.

ARTICLE 21 SUSPENSION OF WORK/TERMINATION

21.1 NON-COMPLIANCE WITH CONTRACT REQUIREMENTS

21.1.1 In the event the Contractor, after receiving written notice from RCHC of non-compliance with any requirement of this Contract, fails to promptly initiate appropriate action to comply with the specified requirement, RCHC shall have the right to withhold payment for work completed under the Contract until

the Contractor has complied with the notice or has initiated such action as may be appropriate to comply, within a reasonable period of time. The Contractor shall not be entitled to any extension of contract time or payment for any costs incurred for work under this article.

21.1.2 Should the Contractor abandon the Work called for under the Contract, or assign his Contract, or unnecessarily and unreasonably delay the work, or willfully violate or perform the work in bad faith, RCHC shall have the power to notify the Contractor to discontinue all work or any part thereof under this Contract, and thereupon the Contractor shall cease to continue said work or such part thereof as RCHC may designate, and RCHC shall have the power to employ such persons as it may consider desirable, and to obtain by contract, purchase, hire or otherwise, such implements, tools, material or materials as RCHC may deem advisable to work at and be used to complete the work herein described, or such part thereof as shall have not been completed, and to use such material as it may find upon the site of the work, and to charge the expense of such labor and material, implements and tools to the Contractor, and the expense so charged shall be deducted and paid by RCHC out of such monies as may either be due, or may at any time thereafter become due to the Contractor under the Contract.

21.2 TERMINATION

21.2.1 TERMINATION FOR BREACH

If the Contractor should be adjudged bankrupt or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he or any of his subcontractors should violate any of the provisions of the Contract, RCHC may serve written notice upon him and his surety of its intention to terminate Contractor's performance hereunder, said notice shall contain the reasons for such intention to terminate Contractor's performance, and, unless within ten (10) calendar days after serving of said notice, such violation shall cease and satisfactory arrangements for correction thereof be made, Contractor's performance shall, upon the expiration of said ten (10) calendar days, cease and terminate. In the event of any such termination, RCHC shall immediately serve written notice thereof upon the surety and the Contractor, and RCHC may take over the Contractor's work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of the Contractor, and the Contractor and his surety shall be liable to RCHC for any excess cost occasioned RCHC thereby, and in such event RCHC may without liability for so doing take possession of and utilize in completing the work, such materials, appliances, plants, and other property belonging to the Contractor as may be on the site of the work and necessary therefore.

21.2.2 TERMINATION FOR CONVENIENCE

- a. If the construction of the project herein is damaged, which damage is determined to have been proximately caused by an Act of God, in excess of 5% of the contract amount, provided that the work damaged is built in accordance with applicable building standards and the plans and specifications, then RCHC may, without prejudice to any other right or remedy, terminate the Contract.
- b. RCHC may terminate performance of work under this Contract in whole or in part, if RCHC determines that a termination is in RCHC's interest. RCHC shall terminate by delivering to the Contractor a Notice to Terminate specifying the extent of termination and the effective date.
- c. After receipt of such Notice, and except as directed by RCHC, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this clause:

- (1) Stop work as specified in the notice.
 - (2) Place no further subcontracts or orders (referred to as subcontracts in this clause) for materials, services, or facilities, except as necessary to complete any continued portion of the Contract.
 - (3) To terminate all subcontracts to the extent they relate to the work terminated.
 - (4) With approval or ratification to the extent required by RCHC, settle all outstanding liabilities and termination settlement proposals arising from termination of subcontracts; the approval or ratification will be final for purposes of this clause.
 - (5) As directed by RCHC, transfer title and deliver to RCHC (1) the fabricated or unfabricated parts; work in progress, completed work, supplies, and other material produced or acquired for the work terminated; and (2) the completed or partially completed plans, drawings, information, and other property that, if the contract had been completed, would be required to be furnished to RCHC.
 - (6) Complete performance of work not terminated.
 - (7) Take any action that may be necessary, or that RCHC may direct, for the protection and preservation of the property related to this contract that is in the possession of the Contractor and in which RCHC has or may acquire an interest.
 - (8) Use its best efforts to sell, as directed or authorized by RCHC, any property of the types referred to in subparagraphs above; provided, however, that the Contractor (1) is not required to extend credit to any purchaser and (2) may acquire the property under the conditions prescribed by, and at prices approved by RCHC. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by RCHC under this contract, credited to the price or cost of the work, or paid in any other manner directed by RCHC.
- d. After termination, the Contractor shall submit a final termination settlement proposal to RCHC in the form and with the certification prescribed by RCHC. The Contractor shall submit the proposal promptly, but no later than thirty (30) days from the effective date of termination. If the Contractor fails to submit the proposal within the time allowed, RCHC may determine, on the basis of information available, the amount, if any, due the Contractor because of the termination and shall pay the amount determined.
- e. Subject to subparagraph (2) above, the Contractor and RCHC may agree upon the whole or any part of the amount to be paid because of the termination. The amount may include a reasonable allowance for profit on work done. However, the agreed amount, may not exceed the total contract price as reduced by:
- (1) the amount of payments previously made and;
 - (2) the contract price of work not terminated. The contract shall be amended with a Change Order, and the Contractor paid the agreed amount.

- f. If the Contractor and RCHC fail to agree on the whole amount to be paid the Contractor because of the termination of work, RCHC shall pay the Contractor the amounts determined as follows:
- (1) For contract work performed before the effective date of termination, the total (without duplication of any terms) of:
 - (i) The cost of this work;
 - (ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subdivision (i) above; and
 - (iii) A sum, as profit on (i) above, determined by RCHC to be fair and reasonable; however, if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, RCHC shall allow no profit under this subdivision (iii).
 - (2) The reasonable costs of settlement of the work terminated including:
 - (i) Accounting, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data; and
 - (ii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.
- g. Except for normal spoilage, RCHC shall exclude from the amounts payable to the Contractor the fair value, as determined by RCHC, of defective work, and of property that is destroyed, lost, stolen, or damaged so as to become undeliverable.
- h. The Contractor shall have the right to make a claim under the DISPUTES article, from any determination made by RCHC.
- i. In arriving at the amount due the Contractor, there shall be deducted:
- (1) All unliquidated advance or other payments to the Contractor under the terminated portion of this Contract;
 - (2) Any claim which RCHC has against the Contractor under this Contract; and
 - (3) The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Contractor or sold under the provisions of this clause and not recovered by or credited to RCHC.
- j. If the termination is partial, the Contractor may file a proposal with RCHC for a Change Order of the price(s) of the continued portion of the Contract. RCHC shall process any Change Order agreed upon. Any proposal by the Contractor for an equitable adjustment under this clause shall be requested within thirty (30) days from the effective date of termination unless extended in writing by RCHC.

- k. RCHC may, under the terms and conditions it prescribes, make partial payments and payments against costs incurred by the Contractor for the terminated portion of the Contract, if RCHC believes the total of these payments will not exceed the amount to which the Contractor will be entitled. If the total payments exceed the amount finally determined to be due, the Contractor shall repay the excess to RCHC upon demand, together with interest.
 - l. Unless otherwise provided in this Contract or by statute, the Contractor will maintain all records and documents relating to the terminated portion of this Contract for 4 years after final settlement. This includes all books and other evidence bearing on the Contractor's costs and expenses under this Contract. The Contractor shall make these records and documents available to RCHC, State and/or the U.S. Government or their representatives at all reasonable times, without any direct charge.

ARTICLE 22 DISPUTES/CLAIMS

22.1 CLAIMS RESOLUTION

In accordance with Public Contract Code Sections 20104 - 20104.6 and other applicable law, public works claims of \$375,000 or less which arise between the Contractor and RCHC shall be resolved under the following the statutory procedure unless RCHC has elected to resolve the dispute pursuant to Public Contract Code Section 10240 et seq.

- a. All claims shall be submitted in writing and accompanied by substantiating documentation. Claims must be filed on or before the date of final payment unless other notice requirements are provided in the contract. "Claim" means a separate demand by the claimant for (1) a time extension, (2) payment of money or damages arising from work done by or on behalf of the claimant and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled, or (3) an amount the payment of which is disputed by RCHC.
- b. Claims Under \$50,000. RCHC shall respond in writing to the claim within 45 days of receipt of the claim, or, RCHC may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims RCHC may have. Of additional information is needed thereafter, it shall be provided upon mutual agreement of RCHC and the claimant. RCHC's written response shall be submitted 15 days after receiving the additional documentation, or within the same period of time taken by the claimant to produce the additional information, whichever is greater.
- c. Claims over \$50,000 but less than or equal to \$375,000. RCHC shall respond in writing within 60 days of receipt, or, may request in writing within 30 days of receipt of the claim, any additional documents supporting the claim or relating to defenses or claims RCHC may have against the claimant. If additional information is needed thereafter, it shall be provided pursuant to mutual agreement between RCHC and the claimant. RCHC's response shall be submitted within 30 days after receipt of the further documents, or within the same period of time taken by the claimant to produce the additional information or documents, whichever is greater. The Contractor shall make these records and documents available to RCHC, State and/or the U.S. Government or their representatives at all reasonable times, without any direct charge.

- d. If the claimant disputes RCHC's response, or if RCHC fails to respond within the statutory time period(s), the claimant may so notify RCHC within 15 days of the receipt of the response or the failure to respond and demand an informal conference to meet and confer for settlement. Upon such demand, RCHC shall schedule a meet and confer conference within 30 days.
- e. If following the meet and confer conference, the claim or any portion thereof remains in dispute, the claimant may file a claim pursuant to Government Code 900 et seq. and Government Code 910 et seq. For purposes of those provisions, the time within which a claim must be filed shall be tolled from the time the claimant submits the written claim until the time the claim is denied, including any time utilized for the meet and confer conference.
- f. If a civil action is filed to resolve any claim, the provisions of Public Contract Code 20104.4 shall be followed, providing for nonbinding mediation and judicial arbitration.

22.2 CLAIM FORMAT/REQUIREMENTS

22.2.1 The Contractor will submit the claim justification in the following format:

- a. Summary of claim merit and price plus clause under which the claim is made.
- b. List of documents relating to claim
 - (a) Specifications
 - (b) Drawings
 - (c) Clarifications (RFI's)
 - (d) Schedules
 - (e) Other
- c. Chronology of events and correspondence
- d. Analysis of claim merit
- e. Analysis of claim cost
- f. Analysis of Time in CPM format
- g. Cover letter and certification (form included herein)

22.2.2 If any claim submitted includes a request for overhead, RCHC may request a Profit & Loss statement and supporting documentation from Contractor. If requested, such documentation must be submitted for RCHC to consider the claim.

22.2.3 Submission of a claim, properly certified, with all required supporting documentation, and written rejection or denial of all or part of the claim by RCHC, is a condition precedent to any action, proceeding, litigation, suit, general conditions claim, or demand for arbitration by Contractor.

22.3 NOTICE OF THIRD-PARTY CLAIMS

RCHC shall provide notification to the Contractor within a reasonable time after receipt of any third-party claim relating to the Construction Contract.

PAYMENT BOND

WHEREAS, the Riverside Community Housing Corp ("Owner") on August 30th, 2022, has awarded HVAC Replacement Contract Number: 2022-002 ("Contract") to the undersigned DIRECT AC INC, as Principal ("Principal") to perform the work ("Work") for the following project; HVAC Replacement Project at Dr. Clair S. Johnson Apts.

WHEREAS, said Principal is required by the Contract and/or by the California Civil Code Section 9550 et seq. to furnish a payment bond in connection with the Contract;

NOW THEREFORE, we, the Principal and Old Republic Surety Company ("Surety"), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-Six Thousand Seven Hundred Eighty and 00/100 Dollars (\$ 256,780.00), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors, or assigns approved by Owner, or its subcontractors, of any contracting tier, shall fail to pay any person or persons named in California Civil Code, Section 9554, then Surety will pay for the same, in or to an amount not exceeding the penal amount hereinabove set forth, and also will pay to the prevailing party if suit is brought upon this bond, reasonable attorney's fees as provided in California Civil Code, Section 9564.

Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, nor any rescission or attempted rescission of the Contract or this bond, nor any conditions precedent or subsequent in the bond or Contract attempting to limit the right of recovery of any claimant otherwise entitled to recover under the Contract or this bond shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.

Surety is not released from liability to those for whose benefit this bond has been given, by reason of any breach of the Contract by Owner or Principal.

PAYMENT BOND

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others.

DIRECT AC INC

(Proper name of Principal)

(Corporate Seal of Principal, if Corporation)

By:


Signature of Principal authorized representative

JASON FRIEND, PRESIDENT

Print or type authorized representative's Name

4199 FLAT ROCK DRIVE SUITE 126, RIVERSIDE, CA 92505

Print or type Principal's Address

(Corporate Seal of Surety)

Surety Old Republic Surety Company

By:


Attorney-in-Fact Jacob Ellen

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

California Contractors Insurance Services Inc

Name and Address of California Agent of Surety

9848 Business Park Dr, Ste H

Sacramento, CA 95827

(800) 432-2641

Telephone Number of California Agent of Surety

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.

PERFORMANCE BOND

WHEREAS, the Riverside Community Housing Corp ("Owner") on August 30, 2022, has awarded HVAC Replacement Contract Number: 2022-002 ("Contract") to the undersigned DIRECT AC INC, as Principal ("Principal") to perform the work ("Work") for the following project; HVAC Replacement Project at Dr. Clair S. Johnson Apts., which Contract is by this reference hereby incorporated herein and made a part hereof;

WHEREAS, said Principal is required by the Contract and/or by California Public Contract Code, Section 20129 (b) to furnish a performance bond for the faithful performance of the Contract;

NOW THEREFORE, we, the Principal and Old Republic Surety Company ("Surety"), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-Six Thousand Seven Hundred Eighty and 00/100 Dollars (\$ 256,780.00), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors or assigns approved by Owner, shall in all things stand to and abide by and well and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the Contract, including, without limitation, all obligations during the original term and any extensions thereof as may be granted by Owner, with or without notice to Surety thereof (including, without limitation, the obligation for Principal to pay liquidated damages), all obligations during the period of any warranties and guarantees required under the Contract and all other obligations otherwise arising under the terms of the Contract (such as, but not limited to, obligations of indemnification), all within the time and in the manner therein designated in all respects according to their true intent and meaning, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

PERFORMANCE BOND

Whenever Principal shall be, and is declared by Owner to be, in default under the Contract, the Surety shall promptly either remedy the default, or, if the Contract is terminated by Owner or the Principal's performance of the Work is discontinued, Surety shall promptly complete the Contract through its agents or independent contractors, subject to acceptance of such agents or independent contractors by Owner as hereinafter set forth, in accordance with its terms and conditions and to pay and perform all obligations of Principal under the Contract (including, without limitation, all obligations with respect to payment of liquidated damages) less the "Balance of the Contract Price" (as hereinafter defined); subject to the penal amount of this bond as set forth above. The term "Balance of the Contract Price," as used in this paragraph, shall mean the total amount payable to Principal by Owner under the Contract and any modifications thereto, less the amount previously paid by Owner to the Principal and less amounts that Owner is authorized to withhold under the terms of the Contract.

If Owner determines that completion of the Contract by Surety or its agents or independent contractors must be performed by a lowest responsible bidder selected pursuant to a competitive bidding process, then Surety shall comply with such processes in accordance with the requirements of Owner and applicable laws. Unless otherwise approved by Owner, in the exercise of its sole and absolute discretion, Surety shall not utilize Principal in completing performance of the Work.

No right of action shall accrue on this bond to or for the use of any person or entity other than Owner or its successors or assigns.

In the event any legal proceeding or arbitration is brought upon this bond by Owner and judgment or award is entered in favor of Owner as the prevailing party, Surety shall pay all costs and attorney's fees incurred by the Owner.

Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the work to be performed thereunder, shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.

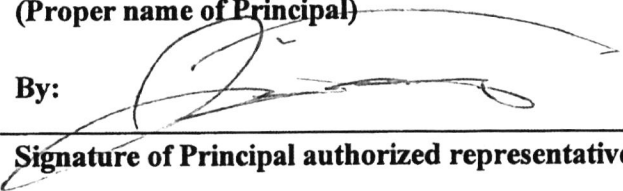
PERFORMANCE BOND

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others.

(Corporate Seal of Principal, if Corporation)

DIRECT AC INC
(Proper name of Principal)

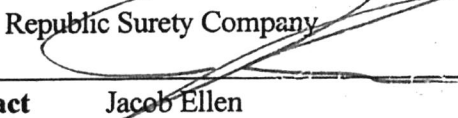
By:


Signature of Principal authorized representative

JASON FRIEND, PRESIDENT
Print or type authorized representative's Name

4199 FLAT ROCK DRIVE SUITE 126, RIVERSIDE, CA 92505
Print or type Principal's Address

(Corporate Seal of Surety)

Surety Old Republic Surety Company
By: 
Attorney-in-Fact Jacob Ellen

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

California Contractors Insurance Services Inc
Name and Address of California Agent of Surety
9848 Business Park Dr, Ste H
Sacramento, CA 95827
(800) 432-2641
Telephone Number of California Agent of Surety

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.



OLD REPUBLIC SURETY COMPANY

Bond Number GFB7308107

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Aaron Blottie, Jacob Ellen, James Drake, David Neeley of Sacramento, CA

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22nd day of March, 2021.

Karen J. Haffner

Assistant Secretary



OLD REPUBLIC SURETY COMPANY

Alan Pavlic

President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22nd day of March, 2021, personally came before me, Alan Pavlic and Karen J Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson

Notary Public

My Commission Expires: September 28, 2022

(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.



31 1033

Signed and sealed at the City of Brookfield, WI this 21st day of September, 2022.

Karen J. Haffner

Assistant Secretary

ORSC 22262 (3-06)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento)

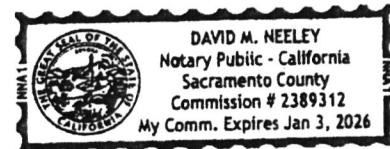
On September 21, 2022 before me, David M. Neeley, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature David M. Neeley (Seal)



WHEN DOCUMENT IS FULLY EXECUTED RETURN
CLERK'S COPY
to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

1 **HVAC EQUIPMENT INSTALLATION CONTRACT BY AND BETWEEN**

2 **RIVERSIDE COMMUNITY HOUSING CORP**

3 **AND DIRECT AC, INC. FOR THE**

4 **HVAC REPLACEMENT PROJECT AT DR. CLAIR S. JOHNSON APARTMENTS**

5
6 This HVAC Equipment Installation Contract ("Contract") is made by and between the **Riverside**
7 **Community Housing Corp.**, a California nonprofit public benefit corporation, hereinafter referred to as
8 "OWNER", or "RCHC", and **Direct AC, Inc.**, a California corporation, hereinafter referred to as
9 "CONTRACTOR." OWNER and CONTRACTOR are collectively referred to herein as the "Parties."

10 **RECITALS**

- 11 A. OWNER is a nonprofit public benefit corporation, duly created, established and authorized
12 to transact business and exercise its powers in the State of California;
- 13 B. This Contract pertains to that certain real property owned by OWNER located at 91-400
14 Seventh Street, Mecca, CA 92254, in the County of Riverside, hereinafter referred to as
15 the, "Property";
- 16 C. The term "PROJECT" includes the performance, as set forth in the Contract Documents
17 (defined in Section 1.1. below), by the CONTRACTOR, of all work or improvements on,
18 in and about the Property; and
- 19 D. OWNER desires that the CONTRACTOR complete the PROJECT on the terms and
20 conditions hereinafter set forth, and CONTRACTOR agrees to perform the work to
21 complete said PROJECT on the terms and conditions set forth below.

22 NOW, THEREFORE, the OWNER and CONTRACTOR, for the consideration set forth herein,
23 mutually agree as follows:

24
25 **ARTICLE 1**

26 **THE HVAC EQUIPMENT INSTALLATION CONTRACT**

27 1.1 The Contract Documents means and includes, without limitation, all of the following which are
28

1 incorporated herein by this reference and are made a part of this Contract as if fully set forth herein. The
2 Contract Documents consist of the following component parts:

- 3 1.1.1 Scope of Work attached hereto as Exhibit A and incorporated herein by this reference
- 4 1.1.2 Invitation for Bids (IFB) No. 2022-002 HVAC Replacement Project at Dr. Clair S. Johnson
5 Apartments, attached hereto as Exhibit B and incorporated herein by this reference;
- 6 1.1.3 CONTRACTOR's Form of Bid submitted to the OWNER on August 30, 2022 in connection
7 with IFB No. 2022-002, attached hereto as Exhibit C and incorporated herein by this
8 reference; and
- 9 1.1.4 General Conditions, attached hereto as Exhibit D and incorporated herein by this reference.

11 ARTICLE 2

12 STATEMENT OF PROJECT WORK

13 2.1 Scope of Work

14 CONTRACTOR shall furnish all labor, material, equipment and services and perform and complete all
15 Work for the PROJECT identified as the **HVAC Replacement Project at Dr. Clair S. Johnson**
16 **Apartments**, for the OWNER. CONTRACTOR shall perform all services Monday – Friday, 7:30 a.m. to
17 5:30 p.m.

18 2.1.1. The full Scope of Work is described in the Contract Documents and more specifically
19 in Exhibit "A" as well as in the approved plans and specifications.

20 2.1.2 All such work shall be done in strict accordance with the Contract, specifications, and
21 addenda thereto and the plans and drawings included therein, all as prepared by the
22 OWNER.

23 2.2 Site Conditions

24 Data provided in the specifications and drawings are believed to depict the conditions to be encountered by
25 the CONTRACTOR, but the OWNER does not guarantee such data as being all-inclusive or complete in
26 every respect. Nothing contained herein shall relieve CONTRACTOR from making any and all
27 investigations he/she may deem necessary to apprise him/herself of the Work. CONTRACTOR'S
28

1 submission of its bid and execution of the Contract constitutes its representation, acknowledgement and
2 agreement that it had sufficient time, access and opportunity prior to the bid closing to conduct a careful
3 and thorough examination, to its satisfaction of: the Contract Documents, and other information provided
4 by OWNER prior to bid closing concerning the PROJECT, site or existing improvements; the visible
5 conditions at the site and its surroundings, visible conditions of existing improvements and their existing
6 uses, and local conditions in the vicinity of the site; the status of any construction at the site concurrently
7 under construction; and all information concerning visible and concealed conditions above and below the
8 surface of the ground at the site and in existing improvements, including without limitation, surveys, reports,
9 data, as-built drawings of existing improvements and utility sources, that was either provided by OWNER
10 to CONTRACTOR or was reasonably available to CONTRACTOR for review in the public records.

12 ARTICLE 3

13 TIME OF COMMENCEMENT AND COMPLETION

14 3.1 Time for Completion

15 The Work, as defined in the General Conditions, to be performed under this Contract shall commence within
16 ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date specified in the
17 Notice, whichever is later, and shall be completed within **forty-five (45) calendar days** following the said
18 date. Time is of the essence under this Contract as to each provision in which time of performance is a
19 factor.

20 3.2 Liquidated Damages

21 3.2.1 If the CONTRACTOR fails to complete the PROJECT within the time specified in the
22 Contract, or any extension, the CONTRACTOR shall pay to the OWNER as liquidated damages, the sum
23 of **three hundred (\$300) dollars** for each day of delay. If different completion dates are specified in the
24 contract for separate parts or stages of the work, the amount of liquidated damages shall be assessed on
25 those parts or stages which are delayed. To the extent that the CONTRACTOR'S delay or nonperformance
26 is excused under another clause in this Contract, liquidated damages shall not be due the OWNER. The
27 CONTRACTOR remains liable for damages caused other than by delay.

1 payments on account of the Contract Sum to the CONTRACTOR, as provided in the General Conditions
2 of the Construction Documents.

3 5.2 OWNER shall promptly review applications for payment and provide its approval or disapproval,
4 in whole or in part, within fifteen (15) calendar days after receipt of an application for payment requesting
5 progress payment. Approved applications for progress payments will be paid by the 30th day of each month,
6 provided that the application for payment has been submitted to the OWNER on or before the first working
7 day of the month.

8
9 **ARTICLE 6**

10 **INDEMNIFICATION AND HOLD HARMLESS**

11 6.1 CONTRACTOR shall indemnify and hold harmless the OWNER, County of Riverside, its
12 Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of
13 Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and
14 representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability
15 whatsoever, including but not limited to property damage, bodily injury or death, based or asserted upon
16 any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising
17 out of or in any way relating to this Contract. CONTRACTOR shall defend at its sole expense and pay all
18 costs and fees, including but not limited to, attorney fees, costs of investigation, defense and settlements or
19 awards, on behalf of the Indemnitees, in any claim or action based upon such services.

20 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,
21 CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice and shall have the
22 right to adjust, settle, or compromise any such action or claim without the prior consent of OWNER;
23 provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or
24 circumscribes CONTRACTOR'S indemnification to the Indemnitees as set forth herein.

25 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided
26 OWNER the appropriate form of dismissal relieving OWNER from any liability for the action or claim
27 involved.

1 6.4 The specified insurance limits required in this HVAC Installation Contract shall in no way limit or
2 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from
3 third party claims. CONTRACTOR'S indemnification and hold harmless obligations set forth herein shall
4 survive the termination and expiration of this Contract.

5 6.5 In the event there is a conflict between this clause and California Civil Code Section 2782, this
6 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the
7 CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

8
9 **ARTICLE 7**

10 **INSURANCE**

11 7.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the
12 OWNER harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost
13 and expense, the following insurance coverages during the term of this Contract. As respects to the
14 insurance section only, the OWNER herein refers to the Riverside Community Housing Corp., Housing
15 Authority of the County of Riverside, County of Riverside, its Agencies, Districts, Special Districts, and
16 Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors,
17 employees, elected or appointed officials, and agents or representatives as Additional Insureds.

18 7.1.1. Workers' Compensation:

19 If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall
20 maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
21 of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with
22 limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation
23 in favor of the OWNER.

24 7.1.2 Commercial General Liability:

25 Commercial General Liability insurance coverage, including but not limited to, premises liability,
26 unmodified contractual liability, products and completed operations liability, personal and advertising
27 injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S
28

1 performance of its obligations hereunder. Policy shall name the OWNER as Additional Insured. Policy's
2 limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance
3 contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times
4 the occurrence limit.

5 7.1.3 Vehicle Liability:

6 If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then
7 CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in
8 an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a
9 general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the
10 occurrence limit. Policy shall name the OWNER as Additional Insured.

11 7.1.4 General Insurance Provisions - All lines:

- 12 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State
13 of California and have an A M BEST rating of not less than A: VIII (A:8) unless such
14 requirements are waived, in writing, by the County Risk Manager. If the County's Risk
15 Manager waives a requirement for a particular insurer such waiver is only valid for that
16 specific insurer and only for one policy term.
- 17 2) The CONTRACTOR must declare its insurance self-insured retention for each coverage
18 required herein. If any such self-insured retention exceed \$500,000 per occurrence each such
19 retention shall have the prior written consent of the County Risk Manager before the
20 commencement of operations under this Contract. Upon notification of self-insured retention
21 unacceptable to the OWNER, and at the election of the Country's Risk Manager,
22 CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as
23 respects this Contract with the OWNER, or 2) procure a bond which guarantees payment of
24 losses and related investigations, claims administration, and defense costs and expenses.
- 25 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the OWNER
26 with either 1) a properly executed original Certificate(s) of Insurance and certified original
27 copies of Endorsements effecting coverage as required herein, and 2) if requested to do so
28

1 orally or in writing by the County Risk Manager, provide original Certified copies of policies
2 including all Endorsements and all attachments thereto, showing such insurance is in full
3 force and effect. Further, said Certificate(s) and policies of insurance shall contain the
4 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the
5 OWNER prior to any material modification, cancellation, expiration or reduction in
6 coverage of such insurance. In the event of a material modification, cancellation, expiration,
7 or reduction in coverage, this Contract shall terminate forthwith, unless the OWNER
8 receives, prior to such effective date, another properly executed original Certificate of
9 Insurance and original copies of endorsements or certified original policies, including all
10 endorsements and attachments thereto evidencing coverage's set forth herein and the
11 insurance required herein is in full force and effect. CONTRACTOR shall not commence
12 operations until the OWNER has been furnished original Certificate (s) of Insurance and
13 certified original copies of endorsements and if requested, certified original policies of
14 insurance including all endorsements and any and all other attachments as required in this
15 Section, showing that such insurance is in full force and effect. An individual authorized by
16 the insurance carrier to do so on its behalf shall sign the original endorsements for each
17 policy and the Certificate of Insurance.

18 4) It is understood and agreed to by the Parties hereto that the CONTRACTOR'S insurance shall
19 be construed as primary insurance, and the OWNER'S insurance and/or deductibles and/or
20 self-insured retention's or self-insured programs shall not be construed as contributory.

21 5) If, during the term of this Contract or any extension thereof, there is a material change in the
22 scope of services; or, there is a material change in the equipment to be used in the
23 performance of the scope of work; or, the term of this Contract, including any extensions
24 thereof, exceeds five (5) years; the OWNER reserves the right to adjust the types of
25 insurance and the monetary limits of liability required under this HVAC Installation
26 Contract, if in the County Risk Manager's reasonable judgment, the amount or type of
27 insurance carried by the CONTRACTOR has become inadequate.

1 8.3 After recordation of the Notice of Completion, and expiration of the thirty (30) calendar days period
2 for filing of stop notices, the OWNER shall settle all claims and disputes, notify the CONTRACTOR of
3 final acceptance of the PROJECT and make the final five percent (5%) retention payment, less any amounts
4 which the OWNER is entitled to receive from the CONTRACTOR under the terms of this HVAC
5 Installation Contract, including liquidated damages.

6
7 **ARTICLE 9**

8 **ADDITIONAL ORDERS AND ASSURANCES**

9 9.1 CONTRACTOR agrees that s/he/it will comply with the following orders and directives, and
10 makes the following assurances, where applicable:

11 9.1.1 Executive Order 11061, as amended, which directs the Secretary of HUD to take all action
12 which is necessary and appropriate to prevent discrimination by agencies that utilize federal funds.

13 9.1.2 Title VI of the Civil Rights Act of 1964 (Public Law 88-352) provides that no person in the
14 United States shall, on the basis of race, color, national origin or sex, be excluded from participation in,
15 denied the benefits of, or subjected to, discrimination under any program or activity which receives federal
16 financial assistance. The OWNER hereby extends this requirement to CONTRACTOR and its
17 subcontractors and consultants. Specific prohibited discriminatory actions and corrective action are
18 described in Title V, Subtitle C, Chapter 2 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

19 9.1.3 Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), popularly known as the Fair
20 Housing Act, provides for fair housing throughout the United States and prohibits any person from
21 discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage
22 services, including in any way making unavailable or denying a dwelling to any person because of race,
23 color, religion, sex or national origin. Pursuant to this statute, the OWNER requires that CONTRACTOR
24 administer all programs and activities, which are related to housing and community development, in such
25 a manner as affirmatively to further fair housing.

26 9.1.4 Age Discrimination Act of 1975.

27 9.1.5 Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).
28

1 of the CONTRACTOR'S insolvency, or the CONTRACTOR makes a general assignment for the benefit
2 of his/her creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently
3 disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to
4 construct the PROJECT in accordance with the Drawings and Specifications, or otherwise substantially
5 violates any provision of the Contract Documents.

6 10.4 The OWNER shall give the CONTRACTOR and his surety five (5) calendar days written notice
7 prior to terminating this Contract pursuant to this section, provided however, that the CONTRACTOR shall,
8 upon receipt of such notice, immediately stop the installation of improvements or other permanent
9 construction work encompassing part of the PROJECT. Upon termination, the OWNER may take
10 possession of the PROJECT and all materials, equipment, tools and construction equipment and machinery
11 owned by the CONTRACTOR and located at the PROJECT site and may finish the PROJECT by whatever
12 method it may deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further
13 payment under this Contract.

14 10.5 The OWNER shall not be deemed to have waived any of its other rights or remedies against the
15 CONTRACTOR by exercising its right of termination under this section.

16 10.6 Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a
17 right or rights provided for by this Contract shall be tried in a court of competent jurisdiction in the County
18 of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change
19 of venue in such proceedings to any other county.

20
21 **ARTICLE 11**

22 **CLAIMS RESOLUTION**

23 11.1 This Article 11 is intended to help resolve disputes between the Parties related to this PROJECT.
24 Such disputes shall be brought to the attention of the OWNER at the earliest possible time, so that such
25 disputes may be promptly resolved, if possible, or other appropriate action or investigation may be promptly
26 undertaken. Public works claims which arise between the CONTRACTOR and the OWNER shall be
27 resolved using the following procedure:
28

1 11.1.1 A “claim” means a separate demand by the CONTRACTOR sent by registered mail
2 or certified mail return receipt requested for one or more of the following: (a) a time extension including,
3 without limitation, for relief from damages or penalties for delay assessed by the OWNER; (b) payment by
4 the OWNER of money or damages arising from Work done by or on behalf of the CONTRACTOR and
5 payment for which is not otherwise expressly provided or to which the CONTRACTOR is not otherwise
6 entitled; (c) payment of an amount that is disputed by the OWNER. The CONTRACTOR shall furnish
7 reasonable documentation to support the claim.

8 11.1.2 Upon receipt of a claim, OWNER shall conduct a reasonable review of the claim and
9 within 45 days, or an extended period as may be set by mutual agreement of the Parties, provide the
10 CONTRACTOR with a written statement identifying what portion of the claim is still disputed and what
11 portion is undisputed. (If consultation with the Board of Commissioners is required, the OWNER may have
12 additional time as stated in Section 9204.) Any payment due on an undisputed portion of the claim shall be
13 processed and made within 60 days after the OWNER issues its written statement.

14 11.1.3 If the OWNER fails to issue a written statement, the claim shall be deemed rejected
15 in its entirety. A claim that is denied by reason of the OWNER’s failure to respond to a claim, or its failure
16 to otherwise meet the applicable time requirements, shall not constitute an adverse finding with regard to
17 the merits of the claim or the responsibility or qualifications of the CONTRACTOR.

18 11.1.4 If the CONTRACTOR disputes the OWNER’s written response, or if the OWNER
19 fails to respond within the time prescribed, the CONTRACTOR may demand in writing, sent by registered
20 mail or certified mail return receipt requested, an informal meet and confer conference to attempt to reach
21 settlement of the portion of the claim in dispute. Upon receipt of the demand, the OWNER shall schedule
22 a meet and confer conference within 30 days.

23 11.1.5 Within 10 business days following the conclusion of the meet and confer conference,
24 if the claim or any portion thereof remains in dispute, the OWNER shall provide the CONTRACTOR a
25 written statement identifying the portion of the claim that remains in dispute and the portion that is
26 undisputed. Any payment due on an undisputed portion shall be processed and made within 60 days after
27 the OWNER issues its written statement.

1 that will take more than a maximum of ten (10) calendar days past the original agreed upon delivery date,
2 may at the option of the OWNER, be canceled and ordered from another source, if, in the opinion of the
3 Contracting Officer, it is in the best interests of the OWNER to do so.

4 12.3 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses
5 and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this
6 Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a
7 court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any
8 of the remaining clauses, sentences, paragraphs and sections of this Contract.

9 12.4 In the event of a conflict between the General Conditions and the Specifications, the General
10 Conditions shall prevail. In the event of a conflict between the contract and any applicable state or local law
11 or regulation, the state or local law or regulation shall prevail; provided that such state or local law or
12 regulation does not conflict with, or is less restrictive than applicable federal law, regulation, or Executive
13 Order. In the event of such a conflict, applicable federal law, regulation, and Executive Order shall prevail.

14 12.5 The persons executing this Contract on behalf of the Parties warrant and represent that they have
15 the authority to execute this Contract on behalf of each respective Party and further warrant and represent
16 that they have the authority to bind each respective Party to the performance of its obligation hereunder.

17
18 **(Remainder of Page Intentionally Blank)**

19
20 **(Signatures on next page)**

1 **IN WITNESS WHEREOF**, the Parties hereto have executed this Contract as of the day and year set forth
2 below.

3
4 **OWNER:**

5 RIVERSIDE COMMUNITY HOUSING CORP, a
6 California non-profit public benefit corporation

7
8
9 By: _____

Carrie Harmon
COO

CONTRACTOR:

DIRECT AC, INC., a California corporation

By: _____

Jason Friend
President

10
11 Dated: 12/15/22

Dated: _____

12
13
14 **APPROVED AS TO FORM:**

15 MINH TRAN
16 General Counsel

17
18 By: _____

Lisa Sanchez,
19 Deputy General Counsel

1 **Exhibit "A"**

2 **Scope of Work**

3
4 **Contractor shall perform the following work for Owner:**

- 5 1. Construction Planning: All residential units will be occupied during the entire demolition and
6 construction process. Construction planning and scheduling MUST take into account that each
7 resident requires 48 hours' notice prior to unit entry. Each resident MUST have a functioning
8 stove, kitchen sink, bathroom and bedroom at the end of every work day. RCHC requires the
9 successful bidder to have a complete construction plan schedule prior to starting work and to have
10 that plan approved by the project manager or his designee, five (5) calendar days prior to the
11 projected start date.
- 12 2. The work under this contract shall be performed at the Dr. Clair S. Johnson Apartments located
13 in the City of Mecca, State of California and shall include furnishing all labor, material,
14 equipment, tools, supplies, and services and incidentals, and performing all work necessary for
15 the removal and installation of forty (40) HVAC units and associated improvements in strict
16 conformance with all of the Contract documents.
- 17 3. Remove all existing Heat Pumps and air ducts in 40 units. The 40 units are comprised of the
18 following building types:
19 a. 30 units are two-story townhouse units.
20 b. 10 units are single-story accessible units.
- 21 4. Contractor to leave existing ceiling to attic adapter (supply box) in each room and reattach new
22 duct and air supply registers to the existing supply box.
- 23 5. Modify stucco openings to accept plenums where needed and install.
- 24 6. Furnish and install ten (10) new 3-ton side mounted dual package heat pump units, 14 SEER
25 (Energy Star rated using R-410A refrigerant). Unit weight not to exceed 450 lbs. [See structural
26 engineer specifications for stucco openings and platforms.]
- 27 7. Furnish and install thirty (30) new 3-ton 14 SEER split heat pump systems, air handler in closet
28 and condenser relocated to ground from shed.
8. All flashings, plenums and penetrations are to be properly sealed with appropriate materials.
Provide blocking and fastening as required by structural drawings/plans.
9. Furnish and install all appropriately-sized insulated type A/C ducting. Existing permanent metal
ducting that penetrates between first and second floor levels is to be reused.
10. Remove and replace all room supply and return air registers with new appropriately sized
adjustable bar type registers.

- 1 11. Cut where necessary appropriately sized return air intake. Return air ducting must be sealed with
2 appropriate materials.
- 3 12. Furnish two (2) appropriate pole breakers in service panel and fused disconnect in within 25 feet
4 of HVAC unit.
- 5 13. Unit condensate lines to be run outside and discharge over the edge in a manner so water will not
6 hit building. Condensate not to drain over public way, not free fall off unit, dry well required at
7 drain area 2-3 inches freefall to finish grade.
- 8 14. New control wiring must be run where necessary to properly control the heat pump systems.
- 9 15. Remove all existing equipment including ducting, condensers, package units, and air handlers.
10 Units must be removed offsite and appropriately disposed of.
- 11 16. Furnish refrigerant and charge new systems to factory specifications.
- 12 17. Furnish and install all new filter return air registers.
- 13 18. Furnish and install a new programmable thermostat in close proximity to the return air register.
14 Provide thermostat instructions for residents in both English and Spanish.
- 15 19. Contractor to field verify sizing of package unit, all dimensions and locations of all equipment
16 involved.
- 17 20. An independent inspection by a certified Home Energy Rating System (HERS) rater must provide
18 a (California Home Energy Efficiency Rating Services) CHEERS Energy star rating report, a Title
19 24 CF-1R, and/or an affidavit from an energy consultant stating that it meets the requirements.
20 The certified, independent and third-party HERS rater must not be affiliated with the contractor
21 or subcontractor performing the removal and installation of the HVAC unit. The results and
22 documentation of testing performed by the HERS rater shall be delivered to RCHC prior to project
23 completion. NOTE: The certified HERS rater must be certified by a Residential Energy Services
24 Network (RESNET) Accredited Rating Provider.
- 25 21. Contractor to ensure proper dumping of all waste and components from the site and shall provide
26 a cleared site free of all debris, contractor equipment, etc.
- 27 22. Contractor shall be responsible for the professional quality, accuracy, competence, methodology,
28 and the coordination of all services performed pursuant to this IFB.
- 23 23. Prior to the start of construction, Contractor will supply the RCHC with 3 complete submittal
24 packages.
- 25 24. Contractor shall provide quality assurance in strict accordance with current building codes as well
26 as terms, conditions, special contract requirements, specifications, attachments, and exhibits
27 contained in the General Conditions of the Contract.
- 28 25. Verification of existing conditions:

1 a. It shall be the Contractor's sole responsibility to verify existing conditions for each individual
2 work item. The Contractor shall be satisfied that there are no discrepancies between actual conditions
3 and the Scope of Work as issued. Before ordering materials/products, the Contractor shall verify
4 related conditions to ensure proper fit and installation.

5 b. Contractor to notify RCHC immediately of any hidden condition discovered which might affect
6 the progress of work.

7 26. Contractor to provide and maintain temporary sanitary facilities. Existing facility use is not
8 permitted.

9 27. RCHC will give contractor access to each unit based on contractor's proposed work schedule.

10 28. All tools, materials, and equipment shall be provided by the contractor and must meet all local
11 applicable safety requirements. A parking space will be made available for contractor's container
12 if needed for materials and equipment. RCHC assumes no responsibility for the loss or damage to
13 the contractor's equipment, tools or materials stored at the job site.

14 29. Contractor shall furnish sufficient personnel with the technical knowledge and experience
15 necessary to complete the work.

16 30. Contractor will be responsible for all construction/building permits required to complete the
17 project.

18 31. All work shall be performed in accordance with local safety standards and recognized safe
19 practices.

20 32. Contractor to ensure proper removal of all debris and all other components from the site and shall
21 provide a cleared site free of all debris, contractor equipment, etc. RCHC refuse containers will
22 not be allowed to be used for disposal of contractors waste.

23 33. Field Verification: Contractor is responsible to field verify existing conditions and promptly notify
24 RCHC if discrepancies in and omissions from the plans, specifications or other contract
25 documents are found in the field, including unforeseen conditions that may affect the successful
26 completion of the project and/or work.

27 34. Contractor will perform a final walk-through inspection with a RCHC representative before the
28 project will be considered complete and finished.

Exhibit "B"

IFB 2022-002

(behind this page)

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Exhibit "C"

Contractor's Form of Bid

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Exhibit "D"

General Conditions

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**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**



INVITATION FOR BIDS (IFB) NO. 2022-002

**HVAC REPLACEMENT PROJECT AT
DR. CLAIR S. JOHNSON APARTMENTS
91-400 SEVENTH STREET MECCA, CA 92254**

**Riverside Community Housing Corp. (RCHC)
5555 Arlington Avenue
Riverside, CA 92504**

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

IFB INFORMATION AT A GLANCE

RCHC CONTACT PERSON:

George Eliseo, Contracts Analyst
gceliseo@rivco.org
(951) 955-6405

HOW TO OBTAIN THE IFB DOCUMENTS:

1. Access www.harivco.org
2. Click on the Vendors & Contractors page in the tab section and click on: **IFB 2022-002 HVAC REPLACEMENT PROJECT AT DR. CLAIR S JOHNSON APTS.**
3. Download the IFB.
4. Or via email from the above listed contact.

PRE-BID CONFERENCE: (JOB WALK)

NOTE: JOB WALK ATTENDANCE IS NOT MANDATORY BUT HIGHLY ENCOURAGED.

Tuesday, August 23rd, 2022 at 10:00 AM
DR CLAIR S JOHNSON APARTMENTS
91-400 SEVENTH STREET,
MECCA, CA 92254

- Prospective bidders should attend the pre-bid conference (job walk) and visit the site prior to this meeting. The purpose is to consider prospective bidders questions and concerns on the proposed project.

DEADLINE FOR

- Questions
- Requests for Interpretations (RFI's)
- Request for Modifications

August 26th, 2022, at 5:00 PM

Questions and requests for interpretation or modification must be submitted to George Eliseo via e-mail at gceliseo@rivco.org

BID SUBMITTAL DEADLINE:

A PUBLIC BID OPENING will be on the same date and time at the RCHC/HACR Main Office 5555 Arlington Avenue, Riverside, CA 92504
Late bids will not be considered.

Tuesday, August 30th, 2022, at 2:00 PM

The submittal must be sent to RCHC in one of the following two ways:

- (1) Physically delivered to:
Riverside Community Housing Corp.
5555 Arlington Avenue, Riverside, CA 92504
Attention: George Eliseo; or
- (2) Mailed to:
Riverside Community Housing Corp.
5555 Arlington Avenue, Riverside, CA 92504
Attention: George Eliseo

Submittals sent by email will not be accepted.

RCHC reserves the right to cancel or modify this timeline at any time.

Notice of any such modifications will be located at www.harivco.org

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

INTRODUCTION

The Riverside Community Housing Corp. (hereinafter, "RCHC") is a California non-profit public benefit corporation that was formed in 1992 as an affiliate of the Housing Authority of the County of Riverside ("HACR"). RCHC's purpose is to create and preserve affordable housing for extremely low-, low- and moderate-income persons within the County of Riverside, and to augment services and housing programs sponsored by HACR and/or the County of Riverside's Department of Housing and Workforce Solutions. As our mission, we believe that affordable housing, economic opportunity, and health are matters of unalienable human dignity. Through the creation and preservation of affordable housing and community development initiatives, RCHC strives to eradicate barriers to the pursuit of actualizing these essential liberties, to galvanize vibrant communities and to expand access in the transition towards self-sufficiency.

This Invitation for Bids no. 2022-002 ("IFB") is issued solely by RCHC and is not issued by HACR. The Riverside Community Housing Corp. is a nonprofit, public benefit corporation affiliated with HACR. While this IFB is issued solely by RCHC, it will be available on HACR's website for convenience and ease of access.

RCHC is inviting bids from qualified, licensed, and insured HVAC contractors with the ability to provide HVAC Replacement services to RCHC for the Dr. Clair S. Johnson Apartments, located at 91-400 Seventh Street, Mecca, CA 92254.

Details regarding the specifications, scope of work and other requirements are set forth in this IFB document and any attachments or amendments to it, which can also be accessed online at www.harivco.org. Bid submittals made in response to this solicitation must conform to all the required specifications outlined within this document and any designated attachments or amendments in their entirety.

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

1.0 RESERVATION OF RIGHTS:

- 1.1 Right to Reject, Waive, or Terminate the IFB.** RCHC reserves the right to reject any or all bids, to waive any informality in the IFB process, or to terminate the IFB process at any time, in its sole and absolute discretion if deemed by RCHC to be in its best interests.
- 1.2 Right to Not Award.** RCHC reserves the right not to award a contract pursuant to this IFB.
- 1.3 Right to Terminate.** RCHC reserves the right to terminate a contract awarded pursuant to this IFB, at any time for its convenience upon 5 days written notice to the successful bidder(s).
- 1.4 Right to Determine Time and Location.** RCHC reserves the right to determine the days, hours and locations that the successful bidder(s) shall provide the services called for in this IFB.
- 1.5 Right to Determine Financial Responsibility and Viability.** RCHC reserves the right to require of bidder information regarding financial responsibility and viability or such other information as RCHC determines is necessary to ascertain whether a bid is in fact the lowest responsive and responsible bid submitted.
- 1.6 Right to Retain Bids.** RCHC reserves the right to retain all written bids submitted to the RCHC in response to this IFB, and not permit withdrawal of same for a period of 60 calendar days subsequent to the deadline for receiving said bids. The RCHC may permit the withdrawal of bids when requested in writing by the bidder and such request is approved in writing by the RCHC Contracting Officer (CO) in his/her sole and absolute discretion.
- 1.7 Right to Reject Any Bid.** RCHC reserves the right to reject and not consider any bid that does not meet the requirements of this IFB, including but not necessarily limited to incomplete bids and/or bids offering alternate or non-requested services.
- 1.8 No Obligation to Compensate.** RCHC shall have no obligation to compensate any bidder for any costs incurred in responding to this IFB.
- 1.9 Right to Amend Prior to Award.** RCHC reserves the right to, prior to award, revise, change, alter or amend any of the instructions, terms, conditions, and/or specifications identified within the IFB documents issued, within any attachment or drawing, or within any addenda issued. All addenda will be posted on the Housing Authority's (HACR) website at: www.harivco.org and/or also at www.missionreproplanroom.com (hereinafter, the "noted Internet System" or the "System"). Such changes that are issued before the bid submission deadline shall be binding upon all prospective Bidders. RCHC reserves the right to amend the contract any time prior to contract execution.
- 1.9 Right to Prohibit.** RCHC shall reserve the right to at any time during the IFB or contract process to prohibit any further participation by a bidder or reject any bid submitted that does not conform to any of the requirements detailed herein. By accessing www.harivco.org and/or www.missionreproplanroom.com (hereinafter, the "noted Internet System" or the "System") and by downloading this document, each prospective bidder is thereby agreeing to abide by all terms and conditions listed within this document and within the noted Internet System, and further agrees that he/she will inform the CO in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by RCHC that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve RCHC, but not the prospective bidder, of any responsibility pertaining to such issue.
- 1.10 Right to Issue New Bids.** In the case of rejection of all bids, RCHC reserves the right to advertise for new bids or to proceed to do the work otherwise.

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- 1.11 Right to Cancel Award.** RCHC reserves the right to, without any liability; cancel the award of any bid(s) at any time before the execution of the contract documents by all parties.

- 1.12 Right to Revise Quantities.** RCHC reserves the right to reduce or increase estimated or actual quantities in whatever amount necessary without prejudice or liability to RCHC, if:
 - 1.12.1** Funding is not available,
 - 1.12.2** Legal restrictions are placed upon the expenditure of monies for this category of service or supplies; or
 - 1.12.3** RCHC's requirements in good faith change after award of the contract.

- 1.13 Right to Require Additional Information.** RCHC reserves the right to require additional information from all Bidders to determine level of responsibility. Such information shall be submitted in the form and time frame required by RCHC.

- 1.14 Right to Require Accurate Timesheets.** RCHC reserves the right to require the Contractor to keep accurate timesheets for all employees assigned to perform any project, task, or assignment resulting from this IFB and any resulting contract.

- 1.15 Right to Contact.** RCHC reserves the right to contact any individuals, entities, or organizations that have had a business relationship with the Bidder regardless of their inclusion in the reference section of the bid submittal.

- 1.16 Right to Seek Restitution.** In the event any resulting contract is prematurely terminated due to nonperformance and/or withdrawal by the Contractor, RCHC reserves the right to seek monetary restitution (to include but not limited to withholding of monies owed) from the Contractor to cover costs for interim services and/or cover the difference of a higher cost (difference between terminated Contractor's rate and new company's rate) beginning the date of Contractor's termination through the contract expiration date.

- 1.17 Right to Amend Prior to Contract Execution.** RCHC reserves the right to amend the contract any time prior to contract execution.

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2.0 SCOPE OF WORK:

RCHC is seeking bids from qualified, licensed, and bonded contractors to provide HVAC removal and installation in accordance with the following Scope of Work.

2.1 Location: This project is in the City of Mecca, Eastern Riverside County.
Dr. Clair S. Johnson Apartments
91-400 Seventh Street
Mecca, CA 92254

2.2 Construction Drawings/Plans: No plans are available for this project.

2.3 SCOPE OF WORK - GENERAL SPECIFICATIONS

1. The work under this contract shall be performed at the Dr. Clair S. Johnson Apartments located in the City of Mecca, State of California and shall include furnishing all labor, material, equipment, tools, supplies, and services and incidentals, and performing all work necessary for the removal and installation of forty (40) HVAC units and associated improvements in strict conformance with all of the Contract documents.
2. Remove all existing Heat Pumps and air ducts in 40 units. The 40 units are comprised of the following building types:
 - a. 30 units are two-story townhouse units.
 - b. 10 units are single-story accessible units.
3. Contractor to leave existing ceiling to attic adapter (supply box) in each room and reattach new duct and air supply registers to the existing supply box.
4. Modify stucco openings to accept plenums where needed and install.
5. Furnish and install **ten (10) new 3-ton side mounted dual package heat pump units, 14 SEER (Energy Star rated using R-410A refrigerant)**. Unit weight not to exceed 450 lbs. [See structural engineer specifications for stucco openings and platforms.]
6. Furnish and install **thirty (30) new 3-ton 14 SEER split heat pump systems**, air handler in closet and condenser relocated to ground from shed.
7. All flashings, plenums and penetrations are to be properly sealed with appropriate materials. Provide blocking and fastening as required by structural drawings/plans.
8. Furnish and install all appropriately-sized insulated type A/C ducting. Existing permanent metal ducting that penetrates between first and second floor levels is to be reused.
9. Remove and replace all room supply and return air registers with new appropriately sized adjustable bar type registers.
10. Cut where necessary appropriately sized return air intake. Return air ducting must be sealed with appropriate materials.
11. Furnish two (2) appropriate pole breakers in service panel and fused disconnect in within 25 feet of HVAC unit.

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12. Unit condensate lines to be run outside and discharge over the edge in a manner so water will not hit building. Condensate not to drain over public way, not free fall off unit, dry well required at drain area 2-3 inches freefall to finish grade.
13. New control wiring must be run where necessary to properly control the heat pump systems.
14. Remove all existing equipment including ducting, condensers, package units, and air handlers. Units must be removed offsite and appropriately disposed of.
15. Furnish refrigerant and charge new systems to factory specifications.
16. Furnish and install all new filter return air registers.
17. Furnish and install a new programmable thermostat in close proximity to the return air register. Provide thermostat instructions for residents in both English and Spanish.
18. Contractor to field verify sizing of package unit, all dimensions and locations of all equipment involved.
19. An independent inspection by a certified Home Energy Rating System (HERS) rater must provide a (California Home Energy Efficiency Rating Services) CHEERS Energy star rating report, a Title 24 CF-1R, and/or an affidavit from an energy consultant stating that it meets the requirements. The certified, independent and third party HERS rater must not be affiliated with the contractor or subcontractor performing the removal and installation of the HVAC unit. The results and documentation of testing performed by the HERS rater shall be delivered to RCHC prior to project completion. NOTE: The certified HERS rater must be certified by a Residential Energy Services Network (RESNET) Accredited Rating Provider.
20. Contractor to ensure proper dumping of all waste and components from the site and shall provide a cleared site free of all debris, contractor equipment, etc.
21. Contractor shall be responsible for the professional quality, accuracy, competence, methodology, and the coordination of all services performed pursuant to this IFB.
22. Prior to the start of construction, Contractor will supply the RCHC with 3 complete submittal packages.
23. Contractor shall provide quality assurance in strict accordance with current building codes as well as terms, conditions, special contract requirements, specifications, attachments, and exhibits contained in the General Conditions of the Contract.
24. Verification of existing conditions:
 - a. It shall be the Contractor's sole responsibility to verify existing conditions for each individual work item. The Contractor shall be satisfied that there are no discrepancies between actual conditions and the Scope of Work as issued. Before ordering materials/products, the Contractor shall verify related conditions to ensure proper fit and installation.

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b. Contractor to notify RCHC immediately of any hidden condition discovered which might affect the progress of work.

- 2.4 Explanations and Interpretations to Prospective Bidders:** (a) Any prospective bidder desiring an explanation or interpretation of the solicitation, specifications, drawings, etc., must request it at least **ten (10)** days before the scheduled time for bid opening. Requests may be oral or written. Oral requests must be confirmed in writing. The only oral clarifications that will be provided will be those clearly related to solicitation procedures, i.e., not substantive technical information. No other oral explanation or interpretation will be provided. Any information given a prospective bidder concerning this solicitation will be furnished promptly to all other prospective bidders as a written amendment to the solicitation, if that information is necessary in submitting bids, or if the lack of it would be prejudicial to other prospective bidders. (b) Any information obtained by, or provided to, a bidder other than by formal amendment to the solicitation shall not constitute a change to the solicitation.
- 2.5 Interpretation of the Documents:** Discrepancies in and omissions from the plans, specifications or other contract documents, or questions as to their meaning shall, at once, be brought to the attention of the RCHC. Any interpretation of the documents will be made only by amendment duly issued and a copy of such amendment will be mailed or delivered to each person or firm receiving a set of such documents. RCHC will not be responsible for any other explanations or interpretations. Should anything in the Scope of Work or any of the sections of the specifications be of such nature as to be apt to cause disputes between the various trades involved, such information shall be promptly called to RCHC's attention.
- 2.6 Amendments to the IFB:** If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. Bidders shall acknowledge receipt of any amendment to this solicitation by signing and returning the amendment, by identifying the amendment number and date on the bid form, or by letter, telegram, or facsimile, if those methods are authorized in the solicitation. RCHC must receive acknowledgement by the time and at the place specified for receipt of bids. Bids which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the bid if the amendment(s) contained information which substantively changed RCHC's requirements. Amendments will be on file in the offices of RCHC at least 7 days before bid opening.
- 2.7 Caution to Bidders:** Prospective bidders are cautioned not to merely examine the plans and specifications in making their bid, since requirements are imposed upon the bidder by various other portions of this IFB and the Contract Documents.
- 2.8 Construction Cost Estimate:** The construction cost estimate is approximately \$70,000
- 2.9 Permits:** The selected contractor will obtain the necessary construction/building permits, if any are required. **NOTE: If required, the selected contractor will provide/furnish the engineered and/or shop drawings from the manufacturer and RCHC will obtain the necessary construction/building permits from the County of Riverside Building and Safety agency.**

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3.0 BID FORMAT:

3.1 Tabbed Bid Submittal: In order for RCHC to properly evaluate the offers received, all bids submitted in response to this IFB must be formatted in accordance with the sequence noted below. Each category must be separated by numbered index dividers or tabs (which number extends so that each tab can be located without opening the bid) and labeled with the corresponding tab reference also noted below. None of the proposed services may conflict with any requirement RCHC has published herein or has issued by amendment.

Tab No.	Description
1	Form of Bid: This Form is attached to this IFB document as Attachment A. Complete and execute the form where provided, and submit under this tab.
2	Form of Bid Bond: This Form is attached to this IFB document as Attachment B. Certificate as to Corporate Principal – this portion must be completed by the Secretary of the Corporation and the corporate seal affixed. Complete form and notarize. This 2-page Form must be fully completed, executed where provided and submitted under this tab as a part of the bid submittal.
3	Form of Non-Collusive Affidavit: This Form is attached to this IFB document as Attachment C. Must check box indicating whether bidder is an individual, a corporation or partnership. Complete form and notarize. This 1-page Form must be fully completed, executed where provided and submitted under this tab as a part of the bid submittal.
4	Equal Employment Opportunity Certification (Form HUD-92010): This Form is attached as Attachment D. The 2-page Form must be completed, executed, and submitted under this tab as a part of the bid submittal.
5	Other Information (Optional Item): The bidder may include any other general information under this tab that's appropriate to assist the RCHC in its evaluation.
	If no information is to be placed under any of the above noted tabs (especially the "Optional" tabs), please place there under a statement such as "NO INFORMATION IS BEING PLACED UNDER THIS TAB" or "THIS TAB LEFT INTENTIONALLY BLANK." DO NOT eliminate any of the tabs.
	Bid Submittal Binding Method: It is preferable and recommended that the bidder bind the bid submittal in such a manner that the RCHC can, if needed, remove the binding (i.e. "comb-type;" etc.) or remove the pages from the cover (i.e. 3-ring binder; etc.) to make copies then conveniently return the bid submittal to its original condition.

3.2 Bidder's Security: Bids in excess of twenty-five thousand dollars (\$25,000) shall be accompanied by a bid guarantee of not less than ten percent (10%) of the amount of the bid, including the aggregate of all separate bid items and schedules covered by the

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bid, which may be: bid bond, money order, certified check or bank draft, U.S. Government Bonds at par value, or a bid bond secured by a surety company acceptable to the U.S. Government and authorized to do business in the state where the work is to be performed. ***The Form of Bid Bond (Attachment B) must be fully completed, executed and notarized where provided thereon and submitted under tab 3 (above) as a part of the bid submittal.*** Said check or bond shall be made payable to RCHC and shall be given as a guarantee that the Bidder, ***ONLY when awarded the job, Contractor will enter into an Agreement with RCHC and will furnish the necessary insurance certificates, Payment Bond, and Performance Bond.*** Each of said bonds and insurance certificates shall be in the amounts of stated in the Standard Specifications or Special Provisions. In case of refusal or failure of the successful Bidder to enter into said Agreement, the check or Bid Bond, as the case may be, shall be forfeited to the RCHC. If the Bidder elects to furnish a Bid Bond as its security, the Bidder shall use the Bid Bond from bound herein, or one conforming substantially to it in form.

- 3.3 Bid Submission:** All bids must be submitted and time-stamped received in the designated RCHC office by no later than the submittal deadline stated herein (or within any ensuing amendment). A total of one (1) original signature copy (marked "ORIGINAL" and "SEALED BID") of the bid submittal shall be placed unfolded in a sealed package and addressed to:

**Riverside Community Housing Corp (RCHC)
5555 Arlington Avenue Riverside, CA 92504
Attention: George Eliseo**

The package exterior must clearly include the following, "IFB No. 2022-002 HVAC Replacement Project at Dr. Clair S. Johnson Apartments" and must have the bidder's name and return address. Bids received after the published deadline will not be accepted. Email delivery shall not be a substitute for or waive physical delivery of the bid by the deadline.

- 3.4 Bid Acceptance Period:** The acceptance period is the number of calendar days available to the RCHC for awarding a contract from the date specified in this solicitation for receipt of bids. The RCHC requires a minimum acceptance period of ninety **90** calendar days. A bid allowing less than RCHC's minimum acceptance period will be rejected
- 3.5 Submission Conditions:** DO NOT FOLD OR MAKE ANY ADDITIONAL MARKS, NOTATIONS OR REQUIREMENTS ON THE DOCUMENTS TO BE SUBMITTED! Bidders are not allowed to change any requirements or forms contained herein, either by making or entering onto these documents or the documents submitted any revisions or additions; and if any such additional marks, notations or requirements are entered on any of the documents that are submitted to RCHC by the bidder, such may invalidate that bid. If, after accepting such a bid, RCHC decides that any such entry has not changed the intent of the bid that RCHC intended to receive, the RCHC may accept the bid and the bid shall be considered by RCHC as if those additional marks, notations or requirements were not entered on such. By accessing the noted Internet Site, registering and downloading these documents, each prospective bidder that does so is thereby agreeing to confirm all notices that RCHC delivers to him/her as

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instructed, and by submitting a bid, the bidder is thereby agreeing to abide by all terms and conditions published herein and by amendment pertaining to this IFB.

- 3.6 Submission Responsibilities:** It shall be the responsibility of each bidder to be aware of and to abide by all dates, times, conditions, requirements, and specifications set forth within all applicable documents issued by RCHC, those listed in the attachments section, and any amendments and required attachments submitted by the bidder. By virtue of completing, signing, and submitting the bid documents, the bidder is stating their agreement to comply with all conditions and requirements as set forth. Notice from the bidder previously not authorized in writing by RCHC to exclude any requirement(s), may cause that bidder to not be considered for award.
- 3.7 Bidder's Responsibilities; Contact With RCHC:** It is the responsibility of the bidder to address all communication and correspondence pertaining to this IFB process to the CO only. Bidders must not make inquiry or communicate with any other RCHC staff member or official (including members of the Board of Commissioners) pertaining to this IFB. Failure to abide by this requirement may be cause for RCHC to not consider a bid submittal received from any bidder who may has not abided by this directive.
- 3.8 Responsibility for Subcontractors:** All requirements for the "Prime" contractor shall also apply to all subcontractors. It is the Prime Contractors' responsibility to ensure the compliance of the subcontractors. Regardless of subcontracting, the Prime Contractor remains liable to RCHC for the performance under this IFB or any resulting contract.
- 3.9 Invitations for Bids (IFB) Amendments:** If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. Bidders shall acknowledge receipt of any amendment to this solicitation by signing and returning the amendment, by identifying the amendment number and date on the bid form by email, letter, or facsimile. RCHC must receive acknowledgement by the time and at the place specified for receipt of bids. Bids which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the bid if the amendment(s) contained information which substantively changed RCHC's requirements. Amendments will be on file in the offices of RCHC and at least **seven 7 days** prior to bid opening. All questions and requests for information must be addressed in writing to the CO. The CO will respond to all such inquiries in writing by amendment to all prospective bidders (i.e., firms or individuals that have obtained the IFB Documents). During the IFB solicitation process, the CO will NOT conduct any *ex parte* (a substantive conversation, "substantive" meaning, when decisions pertaining to the IFB are made between RCHC and a prospective bidder when other prospective bidders are not present) conversations that may give one prospective bidder an advantage over other prospective bidders. This does not mean that prospective bidders may not call the CO, it simply means that other than making replies to direct the prospective bidder where the answer has already been issued within the bid documents, the CO may not respond to the prospective bidder's inquiries but will direct them to submit the inquiry in writing so that the CO may more fairly respond to all prospective bidders in writing by amendment, if needed.
- 3.10 Pre-bid Conference (Job Walk):** The scheduled pre-bid conference is not mandatory. Typically, such conferences last 1 hour or less, though not guaranteed. The purpose of this conference is to give prospective bidders a fuller understanding of the job so that

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the bidder feels confident in submitting an appropriate bid. RCHC *will not* distribute any copies of the IFB documents at the job walk.

4.0 BID EVALUATION:

4.1 Public Opening: At the set date and time, all bids received will be opened and publicly read aloud by the CO, including the company name of the bidder and the total calculated costs proposed. At the bid opening RCHC will only disclose the following information: (a) The company name of each bidder; (b) the calculated total amount bid; and (c) the identity of the apparent lowest bidder. A copy of the bid tabulation or recap recorded will be made available to each member of the public attending such opening and to anyone who requests such afterwards. The bids will not be made available for inspection by anyone at this time; RCHC will, at a later time, review all bids in detail and will notify all bidders of any bidder that is, as a result of the more detailed inspection of bids submitted, ruled to be non-responsive or not responsible. RCHC reserves the right to, "waive informalities and minor irregularities" in the offers received.

4.1.1 Ties: In the case of bids, the award shall be decided by "drawing lots or other random means of selection."

4.2 Responsive Evaluation: After the public opening the "hard copy" bid submittals received will be evaluated in private for responsiveness (i.e., meets the minimum requirements). Firms not meeting the minimums and are deemed to be non-responsive, will be notified of such in writing by RCHC in a timely manner.

4.3 Responsible Evaluation: RCHC will evaluate the apparent lowest responsive bidder to ensure that he/she is responsible (i.e., a firm that is qualified, responsible, and able to provide to the RCHC the required services). If RCHC ascertains that such firm has the required ability, capability, experience, knowledge, licensing, insurance, and resources to complete the required work, RCHC may proceed with a notice of intent to award. If RCHC determines that a firm is deemed to be not responsible, the firm will be notified of such in writing by RCHC in a timely manner and bidder may request further information and a hearing. RCHC will proceed with Responsive and Responsible Evaluations with the next lowest bidder, in its sole discretion.

4.3.1 Contractor's Responsibility: A bidder must first be considered responsive before it is examined for responsibility. A responsible Contractor must:

- Have adequate financial resources to perform the contract, or the ability to obtain them;
- Have the necessary organization, experience, accounting and operational, and technical skills, or the ability to obtain them;
- Have the necessary management, personnel and facilities, or the ability to obtain them;

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- Be able to comply with the required delivery and performance schedule, taking into consideration all existing commercial and/or governmental business commitments;
- Have a satisfactory performance record in placement of qualified personnel;
- Have a satisfactory record of integrity and business ethics, and;
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not being debarred or suspended under a HUD-imposed LDP. Furthermore, all persons or contractors that have been suspended or debarred from Federal programs will show up on the System for Award Management (SAM).

4.3.2 Acceptable Evidence of Responsibility: The RCHC reserves the right to request additional information or require oral presentation in order to determine the Contractor's responsibility. Failure to provide adequate documentation within the specified time period will result in the Bidder to be determined non-responsive. Additional steps or information may include:

- Copy of financial statements, credit bureau reports, copy of lines of credit and/or account balances with the financial institutions or a breakdown of his/her costs.
- Copy of any business audits or reports.
- List of other contracts and contact information on past customers.
- List of all personnel and experience available to work on this contract.

4.4 Restrictions: Any and all persons having ownership interest in a bidder entity or familial (including in-laws) and/or employment relationships (past or current) with principals and/or employees of a bidder entity will be excluded from participation in the evaluation of the bid.

4.5 Bid Protest: Any prospective or actual bidder, who is allegedly aggrieved in connection with the solicitation of a bid or award of a contract, shall have the right to protest. To be eligible to file a protest with the RCHC pertaining to an IFB or contract, the alleged aggrieved protestant must have been involved in the IFB process in some manner as a prospective bidder (i.e. registered and received the IFB documents) when the alleged situation occurred. The alleged aggrieved protestant must file, in writing, to RCHC the exact reason for the protest, attaching any supportive data. The protestant must state within the written protest document specifically (not by inference) what action by RCHC or condition is being protested as inequitable, making, where appropriate specific reference to the IFB documents issued and including the specific citation of law, rule, regulation, or procedure upon which the protest is based. The protest document must also state the corrective action requested. Failure by the alleged aggrieved protestant to fully submit such information shall relieve RCHC from any responsibility to take any corrective action, and as a result of noncompliance, the appeal will be dismissed without further review. RCHC has no obligation to consider a

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protest filed by any party that does not meet these criteria. Any protest against a solicitation must be received before the due date for the receipt of bids, and any protest against the award of a contract must be received within ten (10) calendar days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the CO or designee, who shall issue a written decision on the matter. The CO may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. All appeals shall be marked as follows and sent to the address listed below:

**APPEAL OF IFB NO. 2022-002
RCHC c/o Housing Authority of the County of Riverside
Attn: George Eliseo, Contracting Officer
5555 Arlington Avenue Riverside, CA 92504**

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5.0 CONTRACT AWARD:

5.1 Lowest Responsive and Responsible Bidder: Award of an IFB is made to the responsive and responsible bidder that submits the lowest cost; in this case, the lowest calculated cost.

5.1.1 Basis for Determining Lowest Bid: The lowest bid shall be the lowest total of the base bid amounts on the base contract.

5.2 Contract Award Procedure: If a contract is awarded pursuant to this IFB, the following detailed procedures will be followed:

5.2.1 By completing, executing, and submitting the Form of Bid, Attachment A, the bidder is thereby agreeing to "abide by all terms and conditions pertaining to this IFB as issued by RCHC". Accordingly, RCHC has no responsibility to conduct any negotiations pertaining to the future contract after the submittal deadline.

5.2.2 Depending on the amount of the award (typically for amounts greater than \$75,000), RCHC will forward the Construction Contract to the RCHC Board of Directors (Board) for approval prior to signing the contract with the lowest responsive and responsible bidder.

5.2.3 The contract shall be awarded upon a resolution or minute order to that effect duly adopted by the RCHC Board in their sole and absolute discretion. Execution of the contract documents shall constitute a written memorial thereof.

5.3 Contract Conditions: The following provisions are considered mandatory conditions of any contract award made by RCHC pursuant to this IFB:

5.3.1 Contract Form: By responding to this IFB and submitting a bid, the successful bidder acknowledges and agrees that RCHC will only execute agreements prepared by RCHC which are substantially approved as to form and substance by its legal counsel. RCHC WILL NOT execute the successful bidder's contract form. Any bidder that does not feel the listed contract clauses or specifications are reasonable or complete shall address such with RCHC in writing during the bidding period (prior to the posted bid submittal deadline). RCHC will consider such clauses and determine in its sole and absolute discretion whether to amend the Contract if deemed by RCHC to be in its best interests.

5.3.2 Assignment of Personnel: RCHC shall retain the right to demand and receive a change in personnel assigned to the work if RCHC believes that such change is in its best interests and the completion of the contracted work.

5.4 Contract Period (Time of Completion): The successful bidder agrees to commence work no later than ten (10) calendar days after the commencement date specified in the **Notice to Proceed (NTP)** and to fully complete the project within **forty-five (45) calendar days**. The NTP is the written notification from the RCHC giving the contractor notice to commence with the project. The NTP will specify project details such as the mobilization

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start date, construction start date, and Work completion date. **NOTE:** The timeframe for ordering and delivery of supplies and/or materials is typically not included with the issuance of the NTP.

- 5.4.1 Liquidated Damages:** If the Contractor fails to complete the work within the time specified in the contract, or any extension, as specified in the clause entitled Default of this contract, the Contractor shall pay to the Owner as liquidated damages, the sum of **\$300.00** for each day of delay.
- 5.4.2** RCHC may withhold issuance of the NTP for a period not to exceed **ninety (90) calendar days** after the Construction Contract is executed.
- 5.4.3 Time of the Essence:** Time is of the essence as to each provision in which a timeframe for performance is provided in this IFB. Failure to meet these timeframes may be considered a material breach, and RCHC may pursue compensatory and/or liquidated damages under the contract.
- 5.5 Execution of Work:** All work is to be performed by qualified, competent trained personnel. The contractor is to be licensed and responsible for providing supervision of the work by appropriately identified personnel. RCHC may require the contractor to remove from the work such employees as the local authority deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed by RCHC to be contrary to the public interest. The contractor shall ensure full cooperation of all workers and suppliers and shall be confined to this work only. The contractor and his personnel shall respect the rights of tenants in the surrounding dwellings where work is being performed. The office hours for all locations of the RCHC are 8:00 am – 5:00 pm Monday through Friday, or as otherwise specified in the Scope of Work. The contractor's working hours may vary depending upon the type of work being performed. Contractor may work longer hours if approved in advance by RCHC.
- 5.6 Warranty:** All items installed/provided under any contract resulting from this IFB must include a minimum of a one (1) year warranty from the Contractor for labor, materials, and installation except as specified otherwise herein. The period will begin on the date of "FINAL" acceptance by RCHC.

 - 5.6.1** The services provided under the contract shall conform to all information contained within the IFB documents as well as applicable Industry Published Technical Specifications, and if one of the above-mentioned Specifications contains more stringent requirements than the other, the more stringent requirements shall apply. In addition to all other warranties, the warranty shall include the warranty for merchantability and the warranty of fitness for a particular purpose.
 - 5.6.3 Assignment of Warranty:** Contractor shall assign any warranties and guarantees to RCHC and provide the Contractor's Warranty for Labor and Installation to RCHC along with all Manufacturers' Warranty documents.

INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS

6.0 PROMPT ACTION BY SUCCESSFUL BIDDER:

6.1.1 Upon issuance of the Notice of Award or Notice of Intent to Award, the successful bidder will have **seven (7) calendar days** to supply a payment/performance bond and furnish insurance documents in accordance with the Contract Documents.

6.1.2 Assurance of Completion (Performance Bond & Payment Bond): The successful bidder shall furnish an assurance of completion prior to the execution of the construction contract. This assurance shall be a performance and payment bond in a penal sum of 100 percent of the contract price.

6.1.3 Security substitutions for monies withheld to ensure the contractor's performance: In accordance with Section 22300 of the State of California Public Contract Code, the Contractor at his request and expense will be permitted to substitute equivalent securities for any monies withheld to insure performance.

6.2 Licensing and Insurance Requirements: Prior to contract award (but not as a part of the bid submission) the *successful bidder* will be required to provide:

6.2.1 Insurance: Without limiting or diminishing the Contractor's obligation to indemnify or hold the RCHC harmless, Contractor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Contract. As respects to the insurance section only, RCHC herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

6.2.2 Workers' Compensation: If the Contractor has employees as defined by the State of California, the Contractor shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of RCHC; and, if applicable, to provide a Borrowed Servant/Alternate Employee Endorsement.

6.2.3 Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, employment practices liability, and cross liability coverage, covering claims which may arise from or out of Contractor's performance of its obligations hereunder. Policy shall name RCHC, the County of Riverside, its Agencies, Districts, Special Districts, Consultants, Departments, their Directors, Officers, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit.

6.2.4 Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Contract, then Contractor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than

INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS

\$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Contract or be no less than two (2) times the occurrence limit. Policy shall name the RCHC, the County, its Agencies, Districts, Special Districts, Consultants, Departments, their Directors, Officers, Board of Commissioners, employees, elected or appointed officials, agents or representatives as Additional Insureds.

6.2.5 General Insurance Provisions - All lines:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an AM BEST rating of not less than A:VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- b. The Contractor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Contract. Upon notification of self-insured retention unacceptable to the RCHC, and at the election of the County's Risk Manager, Contractor's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Contract with the RCHC, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. Contractor shall cause Contractor's insurance carrier(s) to furnish the RCHC with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the RCHC prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Contract shall terminate forthwith, unless the RCHC receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. ***Contractor shall not commence operations until the RCHC has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section, showing that such insurance is in full force and effect. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.***

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

- d. It is understood and agreed to by the parties hereto that the Contractor's insurance shall be construed as primary insurance, and the RCHC's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
 - e. If, during the term of this Contract or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Contract, including any extensions thereof, exceeds five (5) years; RCHC reserves the right to adjust the types of insurance and the monetary limits of liability required under this Contract, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the Contractor has become inadequate.
 - f. Contractor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Contract.
 - g. The insurance requirements contained in this Contract may be met with a program(s) of self-insurance acceptable to RCHC.
 - h. Contractor agrees to notify RCHC of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Contract.
- 6.3 Business License:** A copy of the bidder's business license allowing that entity to provide such services within the County of Riverside, State of California.
- 6.4 Contractor's License:** A copy of the bidder's license issued by the Contractors State License Board (CSLB) allowing the bidder to provide the services detailed herein. To be considered, a potential bidder must possess the following license classification type: **"C20" – Warm-Air Heating, Ventilating and Air Conditioning**, for work covered in its bid when a bid is submitted. Contractor shall be licensed as required by the jurisdiction in which the service is to be performed and the license shall be current and in good standing. This includes a joint venture formed to submit a bid.
- 6.5 Contract Service Standards:** All work performed pursuant to this IFB must conform and comply with all applicable local, state, and federal codes, statutes, laws, and regulations.

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

7.0 ADDITIONAL CONSIDERATIONS

- 7.1 Work on RCHC Property:** If the successful bidder's work under the contract involves operation on RCHC premises, the successful bidder shall take all necessary precautions to prevent the occurrence of any injury to persons or property during the progress of such work and shall immediately return said property to a condition equal to or better than the existing condition prior to the commencement of work at the site at no cost to RCHC.
- 7.2 Subcontractors:** Unless otherwise stated within the IFB documents, the successful bidder may not use any subcontractors to accomplish any portion of the services described within the IFB documents or the contract without the prior written permission of the RCHC. Also, any substitution of subcontractors must be approved in writing by RCHC prior to their engagement.
- 7.3 Salaries and Expenses Relating to the Successful Bidders Employees:** Unless otherwise state within the IFB documents, the successful bidder shall pay all salaries and expenses of, and all Federal, Social Security taxes, Federal and State unemployment taxes, and any similar taxes relating to its employees or other personnel furnished under this contract.

8.0 Recap of Attachments: It is the responsibility of each bidder to verify that they have received the following attachments to this IFB:

Attachment	Attachment Description
A	Form of Bid
B	Blank Bid Bond Form
C	Non-Collusive Affidavit

**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

FORM OF BID (ATTACHMENT A)

- A.** Each bidder shall submit his/her bid/fee amount on this form only, which shall be completed, signed, and returned to RCHC with the entire submittal.
- B. Proposed Bid/Fee Amount:** The Form of Bid shall be completed and submitted by the bidder. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work (including Invitation for Bid, this Form of Bid, the Bid Bond, the Performance and Payment Bonds (Labor and Materials Payment Bond), the Scope of Work and Technical Specifications, and Addenda (if any) and all other documents in the bid package, should base their quote accordingly. The bid/fee amount shall be all-inclusive of all related costs that the Contractor will incur to provide the materials and labor, including, but not limited to: employee wages and benefits, clerical support, overhead, profit, labor, licensing, taxes, insurance, materials, supplies, tools, equipment, shipping, permits, long distance telephone calls, document copying, and any other services for the **A/C Removal and Installation Project at Dr. Clair S. Johnson Apts.** for the bid/fee amount specified below.

Item #	Qty	Description	Bid/Fee Amount
1	40 Units	Removal and Installation of forty (40) AC Units	\$
TOTAL BID/FEE AMOUNT (Lump Sum)			\$

- C. Bid Guarantee:** Security in the sum of [10% of bid/fee amount]: _____ Dollars (\$ _____), in the form of _____ is submitted.
- D. Performance Bond and Payment Bond:** The undersigned agrees that, **if selected** as the Contractor, he will within ten days, Saturdays, Sundays, and legal holidays excluded, after presentation thereof by the RCHC, execute a contract in accordance with the terms of this Form of Bid furnish a Performance Bond and a Payment Bond (Labor and Materials Payment Bond), each of a surety company qualified to do business under the laws of California and satisfactory to RCHC and each in the sum of at least one hundred percent of the contract price, the premium for which are to be paid by the Contractor and are included in the contract price.
- E. Quantities:** The undersigned understands that the HACR reserves the right to increase or decrease the amount of any class or portion of the work, or to omit any item of the work as may be deemed necessary or expedient by the RCHC. RCHC does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this IFB. RCHC shall retain one contractor only and shall retain the right to order from that contractor (successful bidder), on a task order basis, any amount of services requires.
- F.** The undersigned hereby agrees to commence work under this contract on or after the date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within **FORTY FIVE (45) CALENDAR DAYS.**

NOTE: The penalty for making false statements in bids/offers is prescribed in 18 U.S.C. 1001.

Date: _____ Name of Company: _____

Printed Name: _____ Signature: _____

Office Number _____ Mobile Number _____ Email Address _____

ATTACHMENT B

FORM OF BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned:

_____, as PRINCIPAL,

AND _____, as SURETY,

are held and firmly bound unto the Riverside Community Housing Corp, hereinafter called, "RCHC", in the penal sum of _____ Dollars, lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has submitted the accompanying bid, dated _____, for _____

NOW, THEREFORE, if the Principal shall not withdraw said bid within the period specified therein after the opening of the same, or, if no period be specified, within sixty (60) days after said opening, and shall within the period specified therefore enter into a written contract with RCHC in accordance with the bid as accepted, and give bond with good and sufficient surety or sureties, as may be required, for the faithful performance and proper fulfillment of such contract; or in the event of the withdrawal of said bid within the period specified, or the failure to enter into such contract and give such bond within the time specified, if the Principal shall pay RCHC the difference between the amount specified in said bid and the amount for which RCHC may procure the required work or supplies or both, if the latter amount be in excess of the former, then the above obligation shall be void and of no effect, otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals this _____ day of _____, 20____, and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In presence of:

(Individual Principal) (seal)

(Address) (Business Address)

(Individual Principal) (seal)

(Business Address)

ATTEST:

(Corporate Principal)

(Business Address)

By: _____
(Affix Corporate Seal)

Title: _____

ATTEST:

(Corporate-Surety)

(Business Address)

By: _____
(Affix Corporate Seal)

(Print or type the names underneath all signatures.)

Power -of-attorney for person signing for Surety Company must be attached to bond.)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the _____
Secretary of the corporation named as Principal in the within bond; that _____
who signed the said on behalf of the Principal was then _____
of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond
was duly signed, sealed, and attested to for and in behalf of said corporation by authority of its
governing body.

(Corporate Seal)

ATTACHMENT C

FORM OF NON-COLLUSIVE AFFIDAVIT

State of _____)

ss.

County of _____)

_____ ,
being first sworn, deposes and says:

That he is _____
(a partner or officer of the firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed directly or indirectly, sought-by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or of any bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure any advantage against the Housing Authority of the County of Riverside or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Bidder is:

A Corporation

A Partnership

An Individual

Signature of Bidder

Printed Name _____

Printed Title _____

Subscribed and sworn to before me this _____ day of _____, 20_____

My commission expires _____.

Exhibit "C"

Contractor's Form of Bid

(behind this page)

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**INVITATION FOR BIDS (IFB) NO. 2022-002
HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS**

FORM OF BID (ATTACHMENT A)

- A. Each bidder shall submit his/her bid/fee amount on this form only, which shall be completed, signed, and returned to RCHC with the entire submittal.
- B. **Proposed Bid/Fee Amount:** The Form of Bid shall be completed and submitted by the bidder. The undersigned, having familiarized themselves with the local conditions affecting the cost of the work (including Invitation for Bid, this Form of Bid, the Bid Bond, the Performance and Payment Bonds (Labor and Materials Payment Bond), the Scope of Work and Technical Specifications, and Addenda (if any) and all other documents in the bid package, should base their quote accordingly. The bid/fee amount shall be all-inclusive of all related costs that the Contractor will incur to provide the materials and labor, including, but not limited to: employee wages and benefits, clerical support, overhead, profit, labor, licensing, taxes, insurance, materials, supplies, tools, equipment, shipping, permits, long distance telephone calls, document copying, and any other services for the **A/C Removal and Installation Project at Dr. Clair S. Johnson Apts.** for the bid/fee amount specified below.

Item #	Qty	Description	Bid/Fee Amount
1	40 Units	Removal and Installation of forty (40) AC Units	\$ 256,780
TOTAL BID/FEE AMOUNT (Lump Sum)			\$256,780

- C. **Bid Guarantee:** Security in the sum of [10% of bid/fee amount]: Thirty Two Thousand Dollars (\$ 32,000), in the form of Bid Bond is submitted.
- D. **Performance Bond and Payment Bond:** The undersigned agrees that, **if selected** as the Contractor, he will within ten days, Saturdays, Sundays, and legal holidays excluded, after presentation thereof by the RCHC, execute a contract in accordance with the terms of this Form of Bid furnish a Performance Bond and a Payment Bond (Labor and Materials Payment Bond), each of a surety company qualified to do business under the laws of California and satisfactory to RCHC and each in the sum of at least one hundred percent of the contract price, the premium for which are to be paid by the Contractor and are included in the contract price.
- E. **Quantities:** The undersigned understands that the HACR reserves the right to increase or decrease the amount of any class or portion of the work, or to omit any item of the work as may be deemed necessary or expedient by the RCHC. RCHC does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this IFB. RCHC shall retain one contractor only and shall retain the right to order from that contractor (successful bidder), on a task order basis, any amount of services requires.
- F. The undersigned hereby agrees to commence work under this contract on or after the date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within **FORTY FIVE (45) CALENDAR DAYS**.

NOTE: The penalty for making false statements in bids/offers is prescribed in 18 U.S.C. 1001.

Date: 8/29/22 Name of Company: Direct AC
 Printed Name: Isaiah Friend Signature: [Signature]
 Office Number: 951-742-2222 Mobile Number: 951-500-3672 Email Address: ifriend@directac.com

ATTACHMENT B

FORM OF BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned:

DIRECT AC INC, as PRINCIPAL,

AND _____, as SURETY,

are held and firmly bound unto the Riverside Community Housing Corp, hereinafter called, "RCHC", in the penal sum of THIRTY TWO THOUSAND AND 00/100 (\$32,000.00) Dollars, lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Principal has submitted the accompanying bid, dated AUGUST 4TH, 2022, for _____, IFB NO. 2022-002: HVAC REPLACEMENT PROJECT AT DR CLAIR S JOHNSON APTS

NOW, THEREFORE, if the Principal shall not withdraw said bid within the period specified therein after the opening of the same, or, if no period be specified, within sixty (60) days after said opening, and shall within the period specified therefore enter into a written contact with RCHC in accordance with the bid as accepted, and give bond with good and sufficient surety or sureties, as may be required, for the faithful performance and proper fulfillment of such contract; or in the event of the withdrawal of said bid within the period specified, or the failure to enter into such contract and give such bond within the time specified, if the Principal shall pay RCHC the difference between the amount specified in said bid and the amount for which RCHC may procure the required work or supplies or both, if the latter amount be in excess of the former, then the above obligation shall be void and of no effect, otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bound parties have executed this instrument under their several seals this 20th day of JULY, 2022, and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

In presence of:

(Individual Principal)
4159 Rock Dr #226 Riverside CA 92505

(Business Address)

(Individual Principal)

(seal)

(Business Address)

ATTEST:

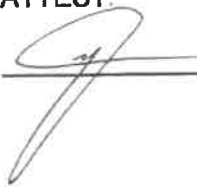
DIRECT AC INC
(Corporate Principal)

4199 FLAT ROCK DR STE 126, RIVERSIDE, CA 92505
(Business Address)

By: _____
(Affix Corporate Seal) JASON FRIEND

Title: PRESIDENT

ATTEST:



Mason Grabill

OLD REPUBLIC SURETY COMPANY
(Corporate-Surety)

445 S. Moorland Road, Suite 200, Brookfield, WI 53005
(Business Address)

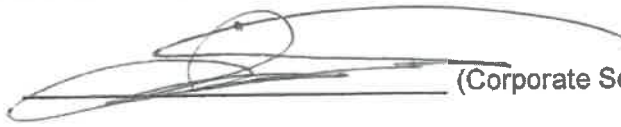
By: _____
(Affix Corporate Seal) Jacob Ellen, Attorney-In-Fact

(Print or type the names underneath all signatures.)

Power -of-attorney for person signing for Surety Company must be attached to bond.)

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, Jason Friend, certify that I am the President
Secretary of the corporation named as Principal in the within bond; that Jason Friend
who signed the said on behalf of the Principal was then President
of said corporation; that I know his signature, and his signature thereto is genuine; and that said bond
was duly signed, sealed, and attested to for and in behalf of said corporation by authority of its
governing body.



(Corporate Seal)



OLD REPUBLIC SURETY COMPANY

Bond Number ORBB310047

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Aaron Blottle, Jacob Ellen, James Drake, David Neeley of Sacramento, CA

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22nd day of March, 2021.

Karen J. Haffner
Assistant Secretary



OLD REPUBLIC SURETY COMPANY

Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22nd day of March, 2021, personally came before me, Alan Pavlic and Karen J Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public.

My Commission Expires: September 28, 2022

(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

31 1033



Signed and sealed at the City of Brookfield, WI this 20th day of July, 2022.

Karen J. Haffner
Assistant Secretary

ORSC 22262 (3-06)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

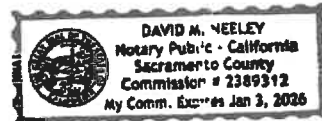
State of California
County of Sacramento

On 7/20/2022 before me, David M. Neeley, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.



Signature David M. Neeley (Seal)

ATTACHMENT C

FORM OF NON-COLLUSIVE AFFIDAVIT

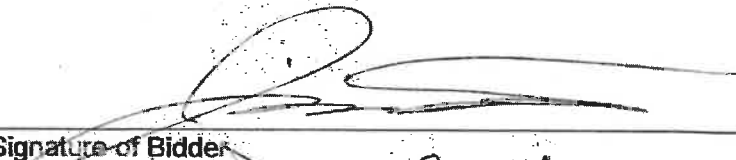
State of California)
County of Riverside) ss.

Jason Friend
being first sworn, deposes and says:

That he is President
(a partner or officer of the firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or of any bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure any advantage against the Housing Authority of the County of Riverside or any person interested in the proposed contract, and that all statements in said proposal or bid are true.

Bidder is: A Corporation A Partnership An Individual



Signature of Bidder
Printed Name Jason Friend
Printed Title President

Subscribed and sworn to before me this 29th day of August, 2022

My commission expires _____

PAYMENT BOND

WHEREAS, the Riverside Community Housing Corp ("Owner") on August 30th, 2022, has awarded HVAC Replacement Contract Number: 2022-002 ("Contract") to the undersigned DIRECT AC INC, as Principal ("Principal") to perform the work ("Work") for the following project; HVAC Replacement Project at Dr. Clair S. Johnson Apts.

WHEREAS, said Principal is required by the Contract and/or by the California Civil Code Section 9550 et seq. to furnish a payment bond in connection with the Contract;

NOW THEREFORE, we, the Principal and Old Republic Surety Company ("Surety"), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-Six Thousand Seven Hundred Eighty and 00/100 Dollars (\$ 256,780.00), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors, or assigns approved by Owner, or its subcontractors, of any contracting tier, shall fail to pay any person or persons named in California Civil Code, Section 9554, then Surety will pay for the same, in or to an amount not exceeding the penal amount hereinabove set forth, and also will pay to the prevailing party if suit is brought upon this bond, reasonable attorney's fees as provided in California Civil Code, Section 9564.

Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, nor any rescission or attempted rescission of the Contract or this bond, nor any conditions precedent or subsequent in the bond or Contract attempting to limit the right of recovery of any claimant otherwise entitled to recover under the Contract or this bond shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.

Surety is not released from liability to those for whose benefit this bond has been given, by reason of any breach of the Contract by Owner or Principal.

PAYMENT BOND

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others.

(Corporate Seal of Principal, if Corporation)

DIRECT AC INC

(Proper name of Principal)

By:


Signature of Principal authorized representative

JASON FRIEND, PRESIDENT

Print or type authorized representative's Name

4199 FLAT ROCK DRIVE SUITE 126, RIVERSIDE, CA 92505

Print or type Principal's Address

(Corporate Seal of Surety)

Surety Old Republic Surety Company

By:


Attorney-in-Fact Jacob Ellen

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

California Contractors Insurance Services Inc

Name and Address of California Agent of Surety

9848 Business Park Dr, Ste H

Sacramento, CA 95827

(800) 432-2641

Telephone Number of California Agent of Surety

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.

PERFORMANCE BOND

WHEREAS, the Riverside Community Housing Corp (“Owner”) on August 30, 2022, has awarded HVAC Replacement Contract Number: 2022-002 (“Contract”) to the undersigned DIRECT AC INC, as Principal (“Principal”) to perform the work (“Work”) for the following project; HVAC Replacement Project at Dr. Clair S. Johnson Apts., which Contract is by this reference hereby incorporated herein and made a part hereof;

WHEREAS, said Principal is required by the Contract and/or by California Public Contract Code, Section 20129 (b) to furnish a performance bond for the faithful performance of the Contract;

NOW THEREFORE, we, the Principal and Old Republic Surety Company (“Surety”), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-Six Thousand Seven Hundred Eighty and 00/100 Dollars (\$ 256,780.00), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors or assigns approved by Owner, shall in all things stand to and abide by and well and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the Contract, including, without limitation, all obligations during the original term and any extensions thereof as may be granted by Owner, with or without notice to Surety thereof (including, without limitation, the obligation for Principal to pay liquidated damages), all obligations during the period of any warranties and guarantees required under the Contract and all other obligations otherwise arising under the terms of the Contract (such as, but not limited to, obligations of indemnification), all within the time and in the manner therein designated in all respects according to their true intent and meaning, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

PERFORMANCE BOND

Whenever Principal shall be, and is declared by Owner to be, in default under the Contract, the Surety shall promptly either remedy the default, or, if the Contract is terminated by Owner or the Principal's performance of the Work is discontinued, Surety shall promptly complete the Contract through its agents or independent contractors, subject to acceptance of such agents or independent contractors by Owner as hereinafter set forth, in accordance with its terms and conditions and to pay and perform all obligations of Principal under the Contract (including, without limitation, all obligations with respect to payment of liquidated damages) less the "Balance of the Contract Price" (as hereinafter defined); subject to the penal amount of this bond as set forth above. The term "Balance of the Contract Price," as used in this paragraph, shall mean the total amount payable to Principal by Owner under the Contract and any modifications thereto, less the amount previously paid by Owner to the Principal and less amounts that Owner is authorized to withhold under the terms of the Contract.

If Owner determines that completion of the Contract by Surety or its agents or independent contractors must be performed by a lowest responsible bidder selected pursuant to a competitive bidding process, then Surety shall comply with such processes in accordance with the requirements of Owner and applicable laws. Unless otherwise approved by Owner, in the exercise of its sole and absolute discretion, Surety shall not utilize Principal in completing performance of the Work.

No right of action shall accrue on this bond to or for the use of any person or entity other than Owner or its successors or assigns.

In the event any legal proceeding or arbitration is brought upon this bond by Owner and judgment or award is entered in favor of Owner as the prevailing party, Surety shall pay all costs and attorney's fees incurred by the Owner.

Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.


Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the work to be performed thereunder, shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.

PERFORMANCE BOND

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others.

(Corporate Seal of Principal, if Corporation)

DIRECT AC INC
(Proper name of Principal)

By: 
Signature of Principal authorized representative

JASON FRIEND, PRESIDENT
Print or type authorized representative's Name

4199 FLAT ROCK DRIVE SUITE 126, RIVERSIDE, CA 92505
Print or type Principal's Address

(Corporate Seal of Surety)

Surety Old Republic Surety Company
By: 
Attorney-in-Fact Jacob Ellen

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

California Contractors Insurance Services Inc
Name and Address of California Agent of Surety
9848 Business Park Dr, Ste H
Sacramento, CA 95827
(800) 432-2641
Telephone Number of California Agent of Surety

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.



OLD REPUBLIC SURETY COMPANY

Bond Number GFB7308107

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Aaron Blottie, Jacob Ellen, James Drake, David Neeley of Sacramento, CA

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 22nd day of March, 2021.

Karen J. Haffner
Assistant Secretary



OLD REPUBLIC SURETY COMPANY

Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 22nd day of March, 2021, personally came before me, Alan Pavlic and Karen J Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2022

(Expiration of notary's commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

31 1033



Signed and sealed at the City of Brookfield, WI this 21st day of September, 2022.

Karen J. Haffner
Assistant Secretary

ORSC 22262 (3-06)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Sacramento

On September 21, 2022 before me, David M. Neeley, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature David M. Neeley (Seal)



AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

AGENCY Progressive Insurance		NAMED INSURED DIRECT AC INC 14845 AMOROSE ST LAKE ELSINORE, CA 92530	
POLICY NUMBER 044606170		EFFECTIVE DATE: 08/13/2022	
CARRIER Progressive Express Ins	NAIC CODE 10193		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Additional Coverages

Insurance coverage(s)	Limits
Uninsured/Underinsured Motorist	\$50,000/\$100,000

Description of Location/Vehicles/Special Items

Scheduled autos only

2008 FORD ECONO/CLUB WGN 1FTNE14W98DA11062

Medical Payments \$5,000

2017 NISSAN NV200 3N6CM0KN5HK713116

2014 NISSAN NV200 3N6CM0KNXEK691965

2017 NISSAN NV200 3N6CM0KN7HK690969

Stated Amount \$30,000

Comprehensive \$3,500 Ded

Collision \$3,500 Ded

Liability coverage may not apply to all scheduled vehicles.

Additional Information

Reference Number: IFB NO. 2022-001 - CAPITAL NEEDS ASSESSMENTS.




CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER STATE FARM INSURANCE KATELYNN H. NGUYEN  9938 BOLSA AVE. STE. 111 WESTMINSTER, CA 92683-6039	CONTACT NAME: KATELYNN NGUYEN PHONE (A/C, No, Ext): 714-486-3790 FAX (A/C, No): 714-486-3853 E-MAIL ADDRESS: KATELYNN.NGUYEN.E9Y4@STATEFARM.COM PRODUCER CUSTOMER ID #: 75-7192	
	INSURER(S) AFFORDING COVERAGE NAIC #	
INSURED DIRECT AC INC 4199 FLAT ROCK DR STE 126 RIVERSIDE, CA 92505	INSURER A: State Farm General Insurance Company 25151	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	\$
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY	<input type="checkbox"/>	<input type="checkbox"/>				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG	\$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC							\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO	<input type="checkbox"/>	<input type="checkbox"/>				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS						Comp & Collision Ded.	\$
	<input type="checkbox"/> NON-OWNED AUTOS						Medical	\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR						EACH OCCURRENCE	\$
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE	<input type="checkbox"/>	<input type="checkbox"/>				AGGREGATE	\$
	<input type="checkbox"/> DEDUCTIBLE							\$
	<input type="checkbox"/> RETENTION \$							\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below	<input type="checkbox"/>	<input type="checkbox"/>	92G6R5253	04/04/2022	04/04/2023	E.L. EACH ACCIDENT	\$ 1,000,000
		<input type="checkbox"/>	<input type="checkbox"/>				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
		<input type="checkbox"/>	<input type="checkbox"/>				E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Project: IFB 2022-001 - Capital Needs Assessment.

CERTIFICATE HOLDER Additional Insured: Riverside Community Housing Corp 5555 Arlington Avenue Riverside, CA 92504	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE KATELYNN NGUYEN

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Citizens General Insurance 11879 Kemper Road Ste 11 Auburn CA 95603		CONTACT NAME: John Mobley PHONE (A/C, No, Ext): (800) 498-0884 E-MAIL ADDRESS: johnm@citizensgeneral.com FAX (A/C, No): (530) 477-0111	
INSURED Direct AC Inc 4199 Flat Rock Dr Riverside CA 92505		INSURER(S) AFFORDING COVERAGE INSURER A: Obsidian Specialty Insurance Company NAIC# 16871 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

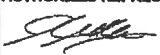
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		Y	SCB-GL-000007428	5/4/2022	5/4/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project: IFB 2022-001 - Capital Needs Assessment

Certificate holder is named additional insured as per policy terms, conditions, coverages, limits and exclusions as their interest may appear in operations of the named insured.

CERTIFICATE HOLDER**CANCELLATION**

Riverside Community Housing Corp 5555 Arlington Avenue Riverside CA 92504	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
---	--

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/26/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER Progressive Insurance PO Box 94739, Cleveland, OH 44101	CONTACT NAME: Progressive Commercial Lines Customer and Agent Servicing	
	PHONE (A/C, No, Ext): 1-800-444-4487	FAX (A/C, No):
E-MAIL ADDRESS: progressivecommercial@email.progressive.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Progressive Express Ins		10193
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
 DIRECT AC INC
 14845 AMOROSE ST
 LAKE ELSINORE, CA 92530

COVERAGES

CERTIFICATE NUMBER: 703449587351620504D092622T201308

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	N	044606170	08/13/2022	02/13/2023	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$50,000 BODILY INJURY (Per accident) \$100,000 PROPERTY DAMAGE (Per accident) \$25,000 \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

RIVERSIDE COMMUNITY HOUSING CORP
 5555 ARLINGTON AVE
 RIVERSIDE, CA 92504

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Exhibit "D"

General Conditions

(behind this page)

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GENERAL CONDITIONS
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GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

ARTICLE 1 GENERAL PROVISIONS

1.1 **DEFINITIONS**

THE CONTRACT DOCUMENTS - The Contract Documents consist of the Contract, the Performance Bond and Payment Bond and any other bond required by the Contract, the drawings, the specifications, addenda issued prior to execution of the Contract, and all modifications thereto.

THE CONTRACT - The Contract Documents form the Contract. The Contract represents the entire and integrated agreement between the parties hereto, and supersedes all prior negotiation, representations, or agreements, either written or oral, including the bidding documents.

ACT OF GOD - An Act of God is an earthquake of magnitude 4.5 or greater on the Richter scale, flood, tornado, or other cataclysmic phenomenon of nature, or rain, snowstorm, windstorm, high water, or other natural phenomenon in excess of the normal as established by National Oceanic and Atmospheric Administration weather data.

ACCEPTANCE - Acceptance is when RCHC determines all of the Contract requirements have been completed. Execution of the Notice of Completion will signify acceptance. A copy of the Notice of Completion will be sent to the Contractor after execution by RCHC. Upon receipt of the Notice of Completion, the Contractor will be relieved of the duty of protecting the work, and the RCHC will initiate final settlement and payment.

ARCHITECT - Architect means the person or other entity engaged by RCHC to perform architectural, engineering, design, and other services related to the work as provided for in the contract. When RCHC uses an engineer to act in this capacity, the terms "architect" and "engineer" shall be synonymous. The Architect shall serve as a technical representative of the Contracting Officer. The Architect's authority is as set forth elsewhere in this contract.

BENEFICIAL OCCUPANCY - The right of RCHC to occupy all or any portion of the project prior to final Acceptance of the Work. Such occupancy does not constitute acceptance or completion by the Contractor of the Work or any portion thereof, nor will it relieve the Contractor of the responsibility for correcting defective work or materials found at any time before Acceptance of the Work.

COUNTY - The term County when used herein shall mean the Board of Supervisors of the County of Riverside, a political subdivision of the State of California.

CHANGE ORDER - A Change Order is the document issued by RCHC authorizing any change or adjustment to the Contract Documents in accordance with Article 19 of this Contract.

CONTRACT DRAWINGS - "Contract drawings" or "drawings" means and includes (a) all drawings which have been prepared on behalf of RCHC and are included in the Contract Documents and all clarification drawings issued by notice to the bidders thereto; (b) all drawings submitted pursuant to the terms of the Contract by the Contractor to RCHC during the progress of the Work, which are accepted by RCHC.

CONTRACTING OFFICER – the person delegated the authority by RCHC to enter into, administer, and/or terminate this contract and designated as such in writing to the Contractor. The

term includes any successor Contracting Officer and any duly authorized representative of the Contracting Officer also designated in writing. The Contracting Officer shall be deemed the authorized agent of RCHC in all dealings with the Contractor.

CONTRACTOR'S AGENT - The representative of the Contractor, approved by RCHC, who shall be present at the Work and be authorized to receive and act upon instructions from RCHC and to execute and direct the Work on behalf of the Contractor.

CONTRACTOR - When used herein, Contractor means the prime or principal Contractor licensed to perform work in the State of California, including all joint ventures and entering into the contract with RCHC. References to subcontractor or others are only for convenience and all such references shall be considered to refer to the Contractor. The prime or principal Contractor shall be responsible for all subcontractors, and all subcontractors shall require their subcontractors to comply with the relevant provisions of the prime or principal contract.

CRITICAL PATH METHOD (CPM) - "Critical Path Method" is a schedule technique.

DAY - The use of "day" herein means calendar day and shall include every day including Saturdays, Sundays, and legal holidays.

DIRECTOR - The use of "Director" shall mean the Director of Housing and Workforce Solutions (HWS) who acts as the Director of RCHC.

HACR – means the Housing Authority of the County of Riverside organized under applicable state laws.

INSTALL - When used herein, "install" shall mean the complete installation, in place, of any item, equipment or material.

MATERIAL - Material shall be construed to include machinery, equipment, manufactured articles, or construction such as form work, fasteners, etc., and any other classes of material to be furnished in connection with the Contract. All materials shall be new.

NOTICE OF COMPLETION - The Notice of Completion shall be issued at that point in the Contract when the Contractor has completed all Work required in the Contract Documents. The time for issuance shall be determined by RCHC through a final inspection.

NOTICE TO PROCEED - The Notice to Proceed is the written notification from RCHC giving the Contractor notice to commence with the project. The Notice to Proceed will specify project details such as the mobilization start date, construction start date, and Work completion date.

PROJECT – means the entire project, whether construction or rehabilitation, the work for which is provided for in whole or in part under this contract.

REQUEST FOR INFORMATION - (RFI) The form and procedure established for communication between the Contractor and RCHC to clarify or interpret the Contract Documents.

REQUEST FOR QUOTATION - (RFQ) A document consisting of supplemental details, instruction, or information issued by the Architect, through RCHC, for the purpose of obtaining price quotations for possible changes in the Work.

RCHC – The Riverside Community Housing Corp, a California non-profit public benefit corporation

SPECIFICATIONS - The term "Specifications" means that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the Work.

SUBCONTRACTOR - The term "Subcontractor" means a person or firm that has a contract with Contractor or with another subcontractor to perform a portion of the Work. Unless otherwise specifically provided, the term Subcontractor includes Subcontractors of any tier, suppliers, manufacturers, and distributors. The term Subcontractor is referred to throughout the Contract Documents as if singular in number.

WORK - The term "Work" comprises the services and materials required by the Contract Documents, as may be amended, and includes all labor necessary to produce the construction required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such construction.

1.2 AUTHORITIES AND LIMITATIONS

- 1.2.1** The Director, the Deputy Director, and the Board of Directors alone have the power to bind RCHC and to exercise the rights, responsibilities, authorities, and functions vested therein by the Contract Documents, except that they shall have the right to designate authorized representatives to act for them.
- 1.2.2** Neither the Contract, nor any part thereof, nor moneys due or to become due there under may be assigned by the Contractor without the prior written approval of RCHC, with the exception of the assignments to RCHC which may be required under the terms of this Contract.

1.3 LEGAL REQUIREMENTS

- 1.3.1** Contractor shall keep informed of, and comply with, all federal, state and county laws, ordinances, rules, and regulations applicable to the Work or to those engaged or employed in the Work of this Contract, especially (but not limited to) those laws relating to hours of employment, prevailing wages, payment of wages, sanitary and safety conditions for workers, workers' compensation insurance, type and kind of materials that can be used, non-discrimination in employment and affirmative action programs. Failure to identify a specific provision in these Contract Documents shall not excuse the Contractor from complying with such applicable statutory requirements.
- 1.3.2** If conflict arises between provisions of the Contract Documents and any such laws, rules, or regulations, the Contractor shall notify RCHC at once in writing. If, before receiving clarification, Contractor performs any portion of the Work affected by such apparent conflict, such performance shall be at Contractor's own risk. Contractor shall not be entitled to any additional compensation or time by reason of the conflict or its later correction.
- 1.3.3** All work and materials shall be in full accordance with the latest applicable (or otherwise noted) codes, rules, and regulations including, but not limited to, the following:
California Uniform Building Code
California Uniform Plumbing Code
California Uniform Mechanical Code
California Uniform Fire Code

1.3.4 Nothing in the specifications is to be construed to permit work not conforming to the above, and expense incurred complying with the above shall be borne by the Contractor. Whenever the specifications and working details require higher standards than those required by the ordinances, codes and statutes, the specifications and working details shall take priority over the ordinances, codes, and statutes.

1.3.5 In submitting a bid on this public works projects, or any subcontractor agreeing to supply goods, services, or materials, and entering a contract pursuant thereto, the contractor and/or subcontractor do offer and agree to assign RCHC 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. Section 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final acknowledgement by the parties.

1.4 STANDARD REFERENCES

1.4.1 All documents and publications (such as, but not limited to, manuals, handbooks, codes, standards, and specifications) which are cited in this Contract for the purpose of establishing technical (non-administrative) requirements applicable to equipment, materials, or workmanship under this Contract, shall be deemed to be incorporated herein as though fully set forth.

1.4.2 Whenever reference is made to any particular document or publication, the Contractor shall comply with the requirements set out in the edition specified in this Contract, or if not specified, the latest edition or revision thereof, in effect on the date of the solicitation of bid on this project, except as modified by, as otherwise provided in, or as limited to type, class, or grade, in the specifications of this Contract.

1.5 PERMITS, LICENSES, FEES & TAXES

1.5.1 RCHC RESPONSIBILITIES

- a. RCHC will apply for all plan checks and will apply for and obtain the Building Permit(s), the Grading Permit and Construction Permits required by the County of Riverside or other local jurisdictions within the County of Riverside, paying all fees in connection therewith.
- b. RCHC will furnish, at no expense to the Contractor, all on-site inspection of the Work and will arrange and pay for off-site inspection only as noted in the Contract Documents.

1.5.2 CONTRACTOR'S RESPONSIBILITIES

- a. The Contractor shall obtain and pay for all other permits and licenses required for the Work, including excavation permit and for plumbing, mechanical and electrical work and for operations in or over public streets or right of way under jurisdiction of public agencies other than RCHC.
- b. Exclusive of off-site inspection specified herein to be RCHC responsibility, the Contractor shall arrange and pay for all off-site inspection of the Work, including certification, required by the specifications, drawings, or by governing authorities.

- c. Before Acceptance of the project by RCHC, the Contractor shall submit all licenses, permits, and certificates of inspection to RCHC.

1.6 SEPARATE CONTRACTS

- 1.6.1 RCHC reserves the right to perform work related to this project with its own forces, and to award separate contracts in connection with other portions of the project or other work on the site. The Contractor shall cooperate with others in the prosecution of all work and shall not interfere with material, appliances, or workmen of RCHC or any other contractor engaged by RCHC at the site of the Work. In case of disagreement regarding such use, the matter shall be referred to RCHC whose decision relative to said use shall govern.
- 1.6.2 The Contractor shall afford RCHC and separate contractors' reasonable opportunity for the introduction and storage of their materials and equipment and the execution of their work and shall properly connect and coordinate Contractor's Work with theirs.
- 1.6.3 If any part of the Contractor's work depends for proper execution or results upon the work of RCHC or any separate contractor, the Contractor shall inspect and promptly report to RCHC any discrepancies or defects in such other work that render it unsuitable for such proper execution and results. Failure of the Contractor to so inspect and report shall constitute an acceptance of RCHC or the separate contractor's work as fit and proper to receive the Work, except as to defects which may develop in the other separate contractor's work after the execution of the Contractor's work.
- 1.6.4 Should the Contractor cause damage to the work or property of any separate contractor on the Project, the Contractor shall, upon due notice, settle with such other contractor by agreement, if both will so settle. If such separate contractor sues RCHC because of any damage alleged to have been so sustained, the Contractor agrees to indemnify and defend RCHC in such proceedings with RCHC retaining the right to select and hire independent counsel for RCHC, paid by the Contractor.
- 1.6.5 Any cost caused by defective or ill-timed work shall be borne by the party responsible therefore.

1.7 RCHC AUTHORIZED REPRESENTATIVE, INSPECTOR(S), & ARCHITECT

1.7.1 AUTHORIZED REPRESENTATIVE

RCHC shall designate a representative during the Work, who shall have the right to be present at the job site during construction and shall supervise any additional representatives appointed by RCHC.

1.7.2 CONTRACTING OFFICER

The Contracting Officer or authorized designee shall have the right to observe the installation of all materials and equipment to be incorporated into the Work and the placing of such material and equipment to determine in general if the Work is proceeding in accordance with the Contract Documents. The Contracting Officer is not authorized to make changes in the Contract Documents. On the basis of his observations, he shall keep RCHC informed as to the progress of the Work. The Contracting Officer shall not be responsible for means, methods, techniques, sequences, or procedures of construction nor for safety precautions and programs in connection with the Work. Nor will the Contracting Officer be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents.

1.7.3 ARCHITECT

- a. If RCHC has retained an Architect for this project. The Architect will advise and consult with RCHC, and RCHC will issue instructions to the Contractor. The Architect will be requested to interpret the requirements of the Contract. When requested by RCHC, the Architect will, within a reasonable time, render such interpretations as he may deem necessary for the proper execution of the Work.
- b. The Architect will make periodic visits to the job site to familiarize himself generally with the progress and quality of the Work and to determine in general whether the work is proceeding in accordance with the Contract Documents. Based on such observations he will recommend approval of applications for progress payments made by Contractor. The Architect shall not be responsible for means, methods, techniques, sequences, or procedures of construction nor for safety precautions and programs in connection with the Work. Nor will the Architect be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents.

ARTICLE 2 BONDS AND INSURANCE

2.1 BIDS OF \$25,000 OR LESS

2.1.1 If the total amount bid on the Work is \$25,000 or less, the payment bond and performance bond are not required, provided that one payment of all compensation shall be made following Acceptance of all work.

2.2 BONDS

2.2.1 GENERAL REQUIREMENTS

- a. Before commencing any Work under this Contract, the Contractor shall file two of each bond with the RCHC. These bonds shall be in the amounts and for the purposes specified below. They shall be surety bonds issued by:

(1) Either a California Admitted Surety OR a current Treasury Listed Surety (Federal Register).

And

(2) Either a current A.M. Best A VIII rated Surety OR an admitted surety insurer which complies with the provisions of the Code of Civil Procedure, § 995.660.

- b. Should any surety or sureties upon said bonds or any of them become insufficient, Contractor shall renew said bond or bonds with good and sufficient sureties within ten (10) calendar days after receiving notice from RCHC that the surety or sureties are insufficient. Cost of bonds shall be included in the bid price.

2.2.2 PERFORMANCE BOND

The successful bidder shall deliver to RCHC an executed Performance Bond on the attached form in an amount equal to 100% of the accepted bid as security for the faithful performance of the Contract.

2.2.3 PAYMENT BOND

The successful bidder shall deliver to RCHC an executed Payment Bond on the attached form in an amount equal to 100% of the accepted bid as security for the payment of all persons performing labor and furnishing materials in connection with the work.

2.3 INSURANCE

2.3.1 GENERAL REQUIREMENTS

Before commencing this Work under the Contract, and without limiting or diminishing Contractor's obligation to indemnify and hold RCHC harmless, the Contractor shall procure and maintain, or cause to be maintained at its sole cost and expense, the following insurance coverages during the term of this Contract.

2.3.2

WORKERS' COMPENSATION INSURANCE

Contractor shall secure Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. Policy shall be endorsed, if applicable, to contain a Waiver of Subrogation in favor of RCHC. Pursuant to Section 3700 of the Labor Code of the State of California, Contractor shall file with RCHC before commencing the Work, the following signed certification:

"I am aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I shall comply with such provisions before commencing the performance of the Work of this Contract."

2.3.3 COMMERCIAL GENERAL LIABILITY:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations if applicable, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Contractor's operations, use, and management of the premises, or the performance of its obligations hereunder. Policy shall name RCHC, County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insured, and contain a Waiver of Subrogation in favor of RCHC and County. Policy limits shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

2.3.4 VEHICLE LIABILITY:

If Contractor's vehicles or licensed mobile equipment are used in the performance of the obligations under the contract, or used in any manner on behalf of RCHC, Contractor shall maintain auto liability insurance for all owned, non-owned and hired automobiles in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this contract or be no less than two (2) times the occurrence limit. Policy shall name RCHC, its Board of Directors, County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insured, and provide a Waiver of Subrogation in favor of RCHC.

2.3.5 PROPERTY (PHYSICAL DAMAGE):

All-Risk property insurance coverage for the full replacement value of all Contractor's equipment, improvements and/or alterations, temporary structures, and systems (Care, Custody, and Control of Contractor) as used on RCHC property or used in any way connected with the Work or with the accomplishment of the Work as performed in this contract.

2.3.6 COURSE OF CONSTRUCTION INSURANCE

Contractor shall provide All Risk Builder's Risk (Course of Construction) insurance, including earthquake and flood if in an earthquake or flood zone (required on financed or bond financing arrangements), covering the RCHC, the Contractor and every subcontractor of every tier for the entire project including property to be used in the construction of the project while such property is at offsite storage locations or while in transit. Policy shall include coverage for collapse, faulty workmanship, debris removal, expediting expense, Fire Department Service charges, valuable papers and records, trees, grass, shrubbery, and plants. If scaffolding, falsework, and temporary buildings are insured separately by the Contractor or others, evidence of such separate coverage shall be provided to RCHC prior to the start of the work. Policy shall be written on a completed value form. Policy shall also provide coverage for temporary structures (onsite offices, etc.), fixtures, machinery and equipment being installed as part of the construction project.

Contractor shall provide a bid price with Course of Construction insurance as outlined herein and shall also separately provide the cost of the Course of Construction insurance and deductible; and shall declare all terms, conditions, coverages and limits upon request of RCHC RETAINS THE RIGHT TO CHOOSE TO USE ITS OWN COURSE OF CONSTRUCTION PROGRAM. If RCHC's program is chosen, Contractor shall assume the cost of any and all applicable policy deductibles (currently \$50,000 per occurrence), and shall insure its own machinery, equipment, tools, etc., from any loss of any nature whatever. If RCHC elects the Contractor's All Risk Builder's Risk Program, Contractor shall be responsible for any and all policy deductibles.

2.3.7 GENERAL INSURANCE PROVISION – ALL LINES:

- a. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and shall have an A.M. BEST rating of not less than an A:VIII unless such requirements are waived, in writing, by the Risk Manager. If the Risk Manager waives a requirement for a particular insurer, such waiver is only valid for that specific insurer and only for one policy term.
- b. The Contractor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence, each such retention shall have the prior written consent of the Risk Manager before he commencement of operations under this contract. Upon notification of self-insured retention unacceptable to RCHC, and at the election of the Risk Manager, Contractor's carriers shall either 1) reduce or eliminate such self-insured retention as respects this contract, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- c. Contractor shall cause its insurance carrier(s) to furnish RCHC with either 1) a properly executed original Certificates(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, or 2) if requested to do so in writing by the Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. RCHC, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives are named as Additional Insureds. Further, said Certificates(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that shall provide no less than thirty (30) days written notice be given to RCHC prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, this Agreement shall terminate forthwith, unless RCHC receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or

certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. Contractor shall not take possession, or use the Premises, or commence operations under this Agreement until RCHC has been furnished original Certificate(s) of Insurance and certified original copies of Endorsements or policies of insurance including all Endorsements and any and all other attachments as required in this Section. The original Endorsements for each policy and the Certificate of Insurance shall be signed by an individual authorized by the insurance carrier to do so on its behalf.

- d. It is understood and agreed to by the parties hereto and the insurance company(s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary, and RCHC insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- e. RCHC Reserved Rights-Insurance. RCHC reserves the right to adjust the monetary limits of insurance coverage's during the term of this agreement or any extension thereof if in the Risk Manager's reasonable judgment, the amount or type of insurance carried by the Contractor becomes inadequate.
- f. Contractor shall pass down the insurance obligations contained herein to all tiers of sub-contractors working under this Agreement.

2.4 INDEMNITY AND HOLD HARMLESS

- 2.4.1 Contractor agrees to and shall indemnify and hold harmless, RCHC, County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Directors, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees), from any liability whatsoever, including but not limited to property damage, bodily injury or death, based or asserted upon any services of Contractor, its officers, employees, agents, invitees, or any subcontractor of Contractor relating to or in any way connected with the accomplishment of the work or performance of services under this Agreement, regardless of the existence or degree of fault or negligence on the part of RCHC or any officer or employee of RCHC, other than the sole active negligence or willful misconduct of RCHC, its Directors and Officers, Special Districts, Board of Commissioners, elected officials, employees, agents or representatives. As part hereto of the foregoing indemnity Contractor agrees to protect and defend at its own expense, including attorneys' fees RCHC, its Directors and Officers, Board of Commissioners, elected officials, employees, agents or representatives from any and all legal action based upon any acts or omissions, as stated hereinabove, by any person or persons.
- 2.4.2 If any such claim, action, or proceeding is brought against RCHC or RCHC officers, agents, employees, or independent contractors, Contractor, upon notice from RCHC, shall defend the same at Contractor's expense by counsel satisfactory to RCHC shall promptly notify Contractor of any claim, action, or proceeding against RCHC or RCHC officers, agents' employees, independent contractors, and consultants relating to the performance, or omission to perform, any term or condition of this Contract. RCHC shall cooperate fully in the defense of such claim, action, or proceeding.
- 2.4.3 RCHC shall not be liable or responsible for any accident, loss or damage occurring to the Work prior to the completion and Acceptance of same, unless otherwise specifically agreed to at the time of occupancy by RCHC.

ARTICLE 3 SITE CONDITIONS

3.1 DIFFERING SITE CONDITIONS

- 3.1.1 The Contractor shall have reviewed and ascertained pertinent local conditions such as location, accessibility, and general character of the site and satisfy himself as to the conditions under which the Work is to be performed. No claim for allowances shall be made because of Contractor's error or negligence in acquainting himself with the conditions at the site.
- 3.1.2 The Contractor shall carefully study and compare the Contract Documents with each other and with information furnished by RCHC. The Contractor shall promptly report in writing to RCHC any errors, inconsistencies, or omissions in the Contract Documents or inconsistencies with applicable code requirements observed by Contractor.
- 3.1.3 If Contractor performs any construction activity which it knows or should know involves an error, inconsistency, or omission without notifying and obtaining the written consent of RCHC, Contractor shall be responsible for the resultant losses, including, without limitation, the costs of correcting defective work.
- 3.1.4 RCHC will furnish surveys necessary to properly locate the property and establish the boundaries thereof with general reference points as well as to enable the Contractor to proceed with the Work.
- 3.1.5 The Contractor shall provide competent engineering services to lay out the Work and all parts thereof and to establish all grades and elevations in accordance with the Contract requirements. He shall verify the figures shown on the survey and approach drawings before undertaking any construction work and shall be responsible for the accuracy of the finished work.
- 3.1.6 The Contractor shall protect and preserve established benchmarks and monuments and shall make no changes in locations without the written approval of RCHC. Any benchmarks or monuments that are lost or destroyed shall be replaced by the Contractor subsequent to notification and approval from RCHC.

3.2 SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK

- 3.2.1 The Contractor acknowledges by submission of his/her bid that he has satisfied himself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the site, including any exploratory work deemed necessary by the Contractor. Any failure of the Contractor to take the actions described and acknowledged in this paragraph will not relieve the Contractor from responsibility for estimating the difficulty and cost of successfully performing the Work, or for proceeding to successfully perform the Work without additional expense to RCHC.

3.3 DIMENSIONS AND MEASUREMENTS

- 3.3.1 All dimensions shown for existing conditions and all dimensions required for work that is to connect with work now in place, shall be verified and calculated by the Contractor by actual measurement of the existing work. Any discrepancies between the Contract Documents and the existing conditions shall be referred to the authorized representative of the RCHC before any work affected thereby has been performed. Failure to notify the RCHC before starting work will be considered acceptance by the Contractor. Where doubts as to dimensions exist, RCHC shall determine the correct dimensions.

ARTICLE 4 SPECIFICATIONS AND DRAWINGS

GENERAL PROVISIONS

4.1.1 SUBDIVISIONS

For convenience, the specifications are arranged into several sections, but such separation shall not be considered as the limits of the work required of any separate trade. The terms and conditions of such limitations are wholly between the Contractor and his subcontractors. Requirements contained in any section are required as if contained in all sections and are the responsibility of the Contractor. The Contractor, prior to awarding subcontracts, will assure the Work required as a whole has been coordinated among the subcontracts.

4.1.2 RECORD DOCUMENTS

- a. The Contractor shall keep on the worksite, a copy of all the awarded construction documents, including but not limited to, the drawings and specifications, and shall at all times give RCHC and Architect access thereto.
- b. The Contractor will be given one set of drawings and specifications which shall be kept at the site of the Work at all times and updated weekly. Payment may be withheld if drawings are not kept current. Exact locations of all pipes and conduits and all changes in construction and details shall be indicated and dimensions provided upon these drawings, and all changes in materials and equipment installed shall be indicated in these specifications. Upon completion and prior to Acceptance of the Work, a final reproducible (transparencies) set of project record documents and specifications shall be submitted to RCHC by the Contractor. RCHC will furnish a set of reproducibles.
- c. The working details will indicate dimensions, position, and kind of construction, and the specifications, qualities, and methods. Any Work indicated on the working details and not mentioned in the specifications, or vice versa, shall be furnished as though fully set forth in both. Work not particularly detailed, marked, or specified shall be the same as similar work that is detailed, marked, or specified.
- d. In case of discrepancy in the documents, the matter shall be promptly submitted to RCHC, who shall make a determination in writing. Any adjustment by the Contractor without such a determination shall be at its own risk and expense. RCHC shall furnish from time to time such detailed information as considered necessary to clarify the Work.
- e. Where the word "similar" occurs on the drawings, it shall have a general meaning and not be interpreted as meaning identical, and all details shall be worked out in relation to their location and their connection with other parts of the work.
- f. Standard details or specification drawings are applicable when listed, bound with specifications, noted on the drawings, or referenced elsewhere in the specifications. Where the notes on the drawings indicate modifications, such modifications shall govern.
- g. All drawings, specifications and copies thereof furnished to the Contractor are the property of RCHC and shall not be used on other work without its consent. Upon completion of this project, all copies of the drawings and specifications shall be returned to RCHC.

4.2 SUMMARY OF THE ORDER OF THE PROCEDURE

4.2.1 In case of conflicts between the Contract Documents, the order of precedence shall be as follows:

- 1) Modifications or changes last in time are first in precedence.
- 2) Addenda.

- 3) RCHC-Contractor agreement.
- 4) General Conditions except for specific modifications thereto stated in the Supplementary Conditions.
- 5) Supplementary Conditions.
- 6) Specifications.
- 7) Drawings - as between figured dimensions given on drawings and the scaled measurements, the figured dimension shall govern; as between large-scale drawings and small-scale drawings, the larger scale shall govern.
- 8) Structural drawings
- 9) Architectural drawings.
- 10) As between detailed drawings and typical details bound within the specifications, the detailed drawings govern.
- 11) In the event provisions of codes, safety orders, contract documents, referenced manufacturer's specifications or industry standards are in conflict, the more restrictive and higher quality shall govern.
- 12) Schedules shown on the drawings take precedence over conflicting information given on other drawings.
- 13) Mechanical drawings.
- 14) Electrical drawings.

4.3 CLARIFICATIONS/REQUEST FOR INFORMATION AND ADDITIONAL INSTRUCTIONS

4.3.1 NOTIFICATION BY CONTRACTOR

- a. Should Contractor discover what he perceives to be conflicts, omissions, or errors in the Contract Documents, or have any question concerning interpretation or clarification of the Contract Documents, or if it appears that the work to be done or any matters relative thereto are not sufficiently detailed or explained in the Contract Documents, then, before proceeding with the work affected, Contractor shall notify RCHC's authorized representative in writing, and request interpretation, clarification, or additional detailed information concerning the work. The Contractor shall ask for the clarification (Request for Information) immediately upon discovery but no less than 14 calendar days prior to the start date of the activities related to the clarification, based on the latest updated version of the accepted Progress Schedule. RCHC, whose decision shall be final and conclusive, shall resolve such questions and issue instructions to Contractor. Should Contractor proceed with work affected before receipt of instructions from RCHC, Contractor shall remove and replace or adjust work which is not in accordance with the instructions from RCHC and shall be responsible for resultant damage, defect or added cost. In event of failure to agree as to scope of Contract requirements, Contractor shall follow the procedure set forth in the DISPUTES article.
- b. The Contractor shall not be entitled to any compensation for delays, disruptions, inefficiencies, or additional administrative effort caused by the Contractor's untimely review of the Contract Documents for potential conflicts, omissions, discrepancies or ambiguities.
- c. RCHC may charge back to the Contractor, time and expense associated with RFI's, as may be reasonably determined by RCHC to be unnecessary.

4.3.2 ADDITIONAL DETAILED INSTRUCTIONS

- a. RCHC may furnish additional detailed written instructions on any Request for Information to

further explain the Work. If in the opinion of Contractor, the additional detailed instructions constitute work in excess of the scope of the Contract, he must submit written notice thereof immediately to RCHC, but no later than seven (7) calendar days following receipt of such instruction(s), and in any event prior to commencement of work thereon. The Contractor shall not be entitled to additional compensation due to any additional instructions unless the Contractor shall have given the appropriate written notice. RCHC will then consider such notice and, if in its judgment it is justified, RCHC instructions will be revised or extra work shall be authorized by Change Order. In the event of a dispute hereunder, attention is directed to the DISPUTES article.

ARTICLE 5 SHOP DRAWINGS AND SUBMITTALS

5.1 SHOP DRAWINGS, PRODUCT DATA, COORDINATION DRAWINGS AND SCHEDULES

- 5.1.1** Shop drawings are drawings submitted to RCHC by the Contractor showing detail of the proposed fabrication and assembly of structural elements and the installation (i.e., form, fit, and attachment details) of materials or equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, fabrication, erection and setting drawings, manufacturers' scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, and performance and test data, and similar materials furnished by the Contractor to explain in detail specific portions of the Work required by the Contract. RCHC may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under this Contract.
- 5.1.2** The Contractor shall coordinate all shop drawings and review them for accuracy, completeness, and compliance with Contract requirements, and shall indicate its approval thereon as evidence of such coordination and review. Shop drawings submitted to RCHC without evidence of the Contractor's approval shall be returned for resubmission. The Architect will indicate review for compliance of the shop drawings, and if not in compliance as submitted, shall indicate the reasons, therefore. Any work done before such review shall be at the Contractor's risk. Review by the Architect shall not relieve the Contractor from responsibility for any errors or omissions in such drawings, nor from responsibility for complying with the requirements of this Contract, except with respect to variations described and approved in accordance with paragraph 5.1.3.
- 5.1.3** If shop drawings show any variations from the Contract requirements, the Contractor shall describe such variations in writing, separate from the drawings, at the time of submission. If the Architect approves any such variation, no change in time or price will be allowed for Contractor changes. Should the Architect make changes on the shop drawings which affect time and/or cost, the Contractor will immediately notify RCHC with a Request for Information. If the Contractor fails to issue the Request for Information within seven (7) calendar days from receipt of the returned shop drawing, the Contractor shall have waived his right to any potential Change Order.
- 5.1.4** The Contractor shall submit shop drawings, coordination drawings, and schedules for review as required by the Contract Documents. The Contractor will provide a submittal schedule listing all shop drawings and submittals, the submission dates by the Contractor, and return dates from the Architect. This schedule will be provided fourteen (14) calendar days after the Notice to Proceed.
- 5.1.5** Shop drawings and schedules, other than catalogs, pamphlets, and similar printed material, shall be submitted with one reproducible plus one copy.
- 5.1.6** Each shop drawing or coordination drawing shall have a blank area 4 by 4 inches located adjacent to the title block. The title block shall display the following:
- 1) Number and title of drawing
 - 2) Date of drawing or revision

- 3) Name of project building or facility
- 4) Name of Contractor and (if appropriate) name of subcontractor submitting drawings
- 5) Clear identity of contents and location on the work
- 6) Project title and project number
- 7) Submittal number

5.1.7 Unless otherwise provided in this Contract or otherwise directed by RCHC, shop drawings, coordination drawings, and schedules shall be submitted to the Architect with a letter, sufficiently in advance of construction requirements to permit no less than twenty (21) calendar days for checking and appropriate action.

5.2 SAMPLES

5.2.1 After the award of the Contract, the Contractor shall deliver samples required by the specifications to RCHC for approval. The Contractor shall prepay any shipping charges. Any materials or equipment for which samples are required shall not be used in the Work until reviewed by RCHC.

5.2.2 Each sample shall have a label indicating:

- 1) Name of project building or facility, project title, and project number.
- 2) Name of Contractor and, if appropriate, name of subcontractor.
- 3) Identification of material or equipment with specification requirement.
- 4) Place of origin.
- 5) Name of manufacturer and brand (if any).
- 6) Identify by specification section.

5.2.3 Samples of finished materials shall have additional markings that will identify them in reference to the finish schedules.

5.2.4 The Contractor shall mail a letter in triplicate under separate cover submitting each shipment of samples and containing the information required in paragraph 5.2.2. He shall enclose a copy of this letter with the shipment and send a copy to RCHC's representative on the project. Approval of a sample shall be only for the characteristics or use named in such review and shall not be construed to change or modify any Contract requirement. Substitutions will not be permitted unless they are approved under paragraph 5.3.

5.2.5 Approved samples not destroyed in testing will be sent to RCHC. Approved samples of hardware in good condition will be marked for identification and may be used in the Work. Materials and equipment incorporated in the Work shall match the approved samples. Other samples not destroyed in testing or not approved will be returned to the Contractor at his expense if so requested at time of submission.

5.2.6 Failure of any material to pass the specified tests will be sufficient cause for refusal to consider any further samples of the same brand or make of that material or equipment under this Contract.

5.2.7 Samples of various materials or equipment delivered on the site or in place, may be taken by RCHC for testing. Samples failing to meet Contract requirements will automatically void previous approvals of the items tested. The Contractor shall replace such materials or equipment found not to have met Contract requirements, or there shall be a proper adjustment of the Contract price as determined by RCHC.

5.2.8 Unless otherwise specified, when tests are required, only one test of each sample proposed for use will be made at the expense of RCHC. Samples which do not meet specification requirements will be rejected. Requests for testing of additional samples by Contractor may be made by RCHC at the expense of the Contractor.

5.3 SUBSTITUTIONS

- 5.3.1** Wherever the name, or brand, or manufacturer of an article is specified in the Contract Documents, it is used as a measure of quality and utility or a standard. Except in those instances where the product is designated to match others presently in use, specifications calling for a designated material, product, thing or service by specific brand or trade name shall be deemed to be followed by the words "or equal" so that bidders may propose any equal material, product, thing, or service in their bid. If the Contractor desires to use any other brand or manufacturer of equal quality and utility to that specified, he shall list definite particulars of that which he considers equivalent to the specified item in his bid. The Contractor shall have thirty-five (35) days after the award of the Contract for submission of data substantiating substitution of "equal" items. RCHC will then determine whether or not the proposed name brand or article is equal in quality and utility to that specified in the Contract Documents, and its written decision shall be final.
- 5.3.2** No proposal will be considered unless accompanied by complete information and descriptive data necessary to determine the equality of the offered materials, articles, or equipment. Samples shall be provided when requested by RCHC.
- 5.3.3** The burden of proof as to the comparative quality or suitability of the offered materials, articles, or equipment shall be upon the Contractor. RCHC shall be the sole judge as to such matters. In the event that RCHC rejects the use of such alternative materials, articles, or equipment, then one of the particular products designated by brand name in the specifications shall be furnished.
- 5.3.4** RCHC will examine Contractor's submittals with reasonable promptness. Return of the submittals to the Contractor shall not relieve the Contractor from responsibility for deviations and alternatives from the Contract Documents nor shall it relieve him from responsibility for errors in the submittals. A failure by the Contractor to identify, in his letter of transmittal, material deviations from the Contract Documents shall void the submittal and any action taken thereon by RCHC. When specifically requested by RCHC, the Contractor shall resubmit such shop drawing(s), descriptive data, and samples as may be required.
- 5.3.5** If any mechanical, electrical, structural, or design revisions are required for the proper installation and fit of alternative materials, articles, or equipment, or because of deviations from the Contract Documents, such changes shall not be made without the consent of RCHC's authorized representative and shall be made without additional cost to RCHC, such costs, including the fees of the Architect, shall be borne by the Contractor.

ARTICLE 6 SCHEDULES

6.1 CONSTRUCTION SCHEDULE

- 6.1.1** The Contractor shall prepare and submit to RCHC within five days after work commences on the contract or another period of time determined by the Contracting Officer, three copies of a practicable schedule showing the order in which the Contractor proposes to perform the work, and the dates on which the Contractor contemplates starting and completing the salient features of the work (including acquiring materials and equipment). The schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion by any given date during the period. The scheduled completion date shall be the same as the contractual completion date, for the initial schedule and subsequent updates. Any proposed early completion date shall show the difference between that date and the contract completion date as Float, which shall belong to both RCHC and Contractor. If the Contractor fails to submit a schedule within the time prescribed, the Contracting Officer may withhold approval of progress payments or take other remedies under the contract until the Contractor submits the required schedule.

- 6.1.2 The Contractor shall submit any supplementary schedule or schedules as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained. If, in the opinion of the Contracting Officer, the Contractor falls behind the approved schedule, the Contractor shall take steps necessary to improve its progress, without additional cost to RCHC. In this circumstance, the Contracting Officer may require the Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant, and to submit for approval any supplementary schedule or schedules in chart form as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained. Failure of the Contractor to comply with the requirements of the Contracting Officer under this clause shall be grounds for a determination by the Contracting Officer that the Contractor is not prosecuting the work with sufficient diligence to ensure completion within the time specified in the contract, and the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part of it, in accordance with the default clause of the contract.
- 6.1.3 All schedule updates must accurately reflect the as-built schedule. There shall be no change to the Critical Path without RCHC's written consent. The Contractor shall enter the actual progress on the chart as required by the Contracting Officer, and immediately deliver three copies of the annotated schedule to the Contracting Officer.

ARTICLE 7 TIME, LIQUIDATED DAMAGES AND EXTENSIONS

7.1 TIME OF WORK

The Contractor shall commence the project upon receipt of the written Notice to Proceed (See: Article 1 for the Definition of the Notice to Proceed) and shall perform the work diligently to completion within the number of calendar days specified in the Contract. Neither site access nor physical work shall be commenced before the Contract is fully executed, and bonds, insurance and the schedule are submitted as required by the Contract Documents. No work shall be done on Saturday, Sunday and holidays and no work shall be performed outside of normal working hours without the prior written consent of RCHC, unless required by these Specifications. See: Working Hours.

7.2 LIQUIDATED DAMAGES

If the Work is not completed within the time required, damage will be sustained by RCHC. It is and will be impracticable and extremely difficult to ascertain and determine actual damage which RCHC will sustain by reason of such delay; and it is therefore agreed that Contractor will pay to RCHC the sum of \$300.00 per day for each and every day's delay in finishing the Work beyond the time prescribed. If the Contractor fails to pay such liquidated damages, RCHC may deduct the amount thereof from any money due or that may become due the Contractor under the Contract.

7.3 UNAVOIDABLE DELAYS

7.3.1 TIME EXTENSION

- a. The Contractor will be granted an extension of time for completion of the Work beyond that named in the Contract Documents, for delays which may result through causes beyond the control of the Contractor and which he could not have avoided by the exercise of care, prudence, foresight, and diligence. The appropriate extension of time shall constitute full compensation. Costs associated with extended overhead will not be considered.
- b. If the Contractor is allowed extensions of time in which to complete the Work equal to the

sum of all unavoidable delays, plus any adjustments of contract time due to contract change orders, during such extension of time liquidated damages shall not be charged to the Contractor.

- c. Unavoidable delays within the meaning of this section shall be those caused by Acts of God or of the public enemy, fire, epidemics, or strike. There will be no liquidated damages for delays as described within this paragraph.
- d. Delays in the performance of parts of the work which may in themselves be unavoidable, but do not necessarily prevent or delay the performance of critical activity(s) while the activity(s) is on the Critical Path, will not be considered as unavoidable delays within the meaning of the contract and shall not be the basis of a claim for delay.

7.3.2 WEATHER

Inclement weather shall not be a prima facie reason for granting a time extension. The Contractor shall make every effort to continue work under prevailing conditions. However, if the inclement weather prevents the Contractor from beginning at the usual starting time, or prevents the Contractor from proceeding with seventy-five percent (75%) of the normal labor and equipment force towards completion of the day's current Critical Path activities (shown on the most current, and accepted schedule update) for a period of at least five (5) hours, and the crew is dismissed as a result thereof, RCHC will designate such time as unavoidable delay and grant a one (1) calendar day, non-compensable, time extension.

7.3.3 NOTICE OF DELAYS

- a. Whenever the Contractor foresees any delay in the performance of a Critical Path work activity, and in any event immediately upon the occurrence of any delay which he regards as an unavoidable delay, the Contractor shall notify RCHC in writing of such delay and its cause, in order that RCHC may take immediate steps to prevent, if possible, the occurrence or continuance of the delay, and may determine whether the delay is to be considered avoidable or unavoidable, how long it continues, and to what extent the prosecution and completion of the work are to be delayed thereby.
- b. After the completion of any part or the whole of the Work, RCHC, in calculating the amount due the Contractor, will assume that any and all delays which have occurred have been avoidable delays, except such delays as shall have been called to the attention of RCHC at the time of their occurrence and found by RCHC to have been unavoidable as substantiated by a change order. The Contractor shall make no claims that any delay not called to the attention of RCHC at the time of its occurrence has been an unavoidable delay.

7.4 REQUEST FOR TIME EXTENSION

7.4.1 In the event the Contractor requests an extension of contract time for unavoidable delay, justification shall be submitted no later than seven (7) calendar days after the initial occurrence of any such delay. When requesting time for proposed change orders, the request(s) must be submitted with the proposed change order with full justification. If the Contractor fails to submit justification, he shall waive his right to a time extension at a later date. Justification must be based on the currently accepted contract schedule as updated at the time of occurrence of delay or execution of work related to any change(s) in the scope of work. The justification must include a schedule, including, but not limited to, the following information:

- a. The duration to perform the activity relating to the change(s) in the work and the resources (manpower, equipment, material, etc.) required to perform these activities within the stated duration.
- b. Logical activity ties to the contract schedule for the proposed changes and/or delay showing the activity/activities in the schedule whose start or completion dates are affected by the change and/or delay.

7.4.2 RCHC, after receipt of such justification and supporting evidence, shall make its finding of fact. RCHC's decision shall be final and conclusive and RCHC will advise the Contractor in writing of such decision. If the RCHC finds that the Contractor is entitled to any extension of Contract time, RCHC's determination as to the total number of days of extension shall be based upon the latest updated version of the approved contract schedule.

7.4.3 In the event the Contractor disagrees with RCHC's decision, the Contractor shall be required to submit a claim pursuant to the DISPUTE article.

ARTICLE 8 PERFORMANCE

8.1 SUPERVISION & CONSTRUCTION PROCEDURES

8.1.1 The Contractor shall supervise and direct the work. The Contractor shall be solely responsible for all construction means, methods, techniques, sequences, procedures, project safety, and shall coordinate all portions of the Work under the Contract, including the relations of the various trades to the progress of the Work, in accordance with the provisions of the Contract Documents.

8.1.2 The Contractor shall be responsible to RCHC for the acts and omissions of the Contractor's employees, subcontractors, and their agents and employees, and any other persons performing any of the work under a contract with the Contractor.

8.1.3 The Contractor is an independent contractor and nothing in the Contract Documents shall be interpreted to make the Contractor an agent of RCHC.

8.2 SUPERVISION

8.2.1 Within seven (7) days after the Notice to Proceed, the Contractor shall provide to RCHC an organization chart outlining key job personnel. The Contractor will also provide a Letter of Authority or Corporate Resolution for the individual(s) authorized to sign documents on its behalf, i.e., payment requests, change orders, inspection reports, etc.

8.2.2 The Contractor shall employ, during the progress of the Work, a competent Project Superintendent and any necessary assistants, as approved by RCHC. The Project Superintendent shall not be changed except with the consent of the Authorized Representative of RCHC, unless the Superintendent proves to be unsatisfactory to the Contractor or ceases to be in his employ. RCHC shall be notified immediately of any new Superintendent appointed to the Work and the Contractor shall submit qualifications for approval. The Superintendent shall represent the Contractor and all directions given to him shall be as binding as if given to the Contractor.

8.2.3 RCHC shall be supplied at all times with the name and telephone number of a person in charge of or responsible for the Work, who can be reached for emergency work twenty-four (24) hours a day, seven (7) days a week.

8.3 CONDUCT OF WORK

8.3.1 In connecting one kind of work with another, marring or damaging same will not be permitted and in the event such occurs, shall be corrected by the Contractor at its cost prior to acceptance by RCHC. Should improper work of any trade be covered by another which results in damage or defects, the whole work affected shall be made good by the Contractor without expense to RCHC.

8.4 PROTECTION OF WORK & PROPERTY

8.4.1 The Contractor shall continuously maintain adequate protection of the Work from damage and shall protect RCHC's property from injury or loss in connection with this Contract. He shall make good any such damage, injury, or loss, except what may be directly due to errors in the Contract Documents or caused by agents or employees of RCHC. He shall adequately protect adjacent property as provided by law and the Contract Documents.

8.4.2 The Contractor shall preserve and protect all structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the Work site which are not to be removed and which do not unreasonably interfere with the work required under this Contract.

8.4.3 The Contractor shall protect from damage all existing improvements and utilities at or near the Work site and on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. The Contractor shall repair any damage to those facilities, including those that are the property of a third party, resulting from failure to comply with the requirements of this Contract or failure to exercise reasonable care in performing the Work. If the Contractor fails to repair the damage promptly, the RCHC may have the necessary work performed and charge the cost to the Contractor.

8.5 CONTRACTOR'S RESPONSIBILITY FOR WORK

8.5.1 Until Acceptance of the Work by RCHC, Contractor shall have the charge and care thereof and shall bear risk of injury or damage to any part of the Work by action of the elements. If a separate Contractor sues the Owner, on account of any loss so sustained, RCHC shall notify the Contractor, who shall indemnify and hold harmless RCHC against any expenses, or judgment arising therefrom.

8.5.2 Contractor, at its cost, shall rebuild, repair, restore and make good all damages from the elements to any portion of the Work occasioned by such causes before its Acceptance.

8.5.3 No advertising of any description will be permitted in or about the Work, except by order of RCHC.

8.5.4 Contractor shall not create or permit the continued existence of any nuisance in or about the Work.

8.6 UTILITIES

8.6.1 Unless otherwise provided for under separate sections herein, Contractor will arrange all water, gas, and electricity required for construction purposes until acceptance of the Work. Contractor shall pay for such services unless otherwise specifically noted.

8.6.2 Utilities shall not be interrupted except with the approval of RCHC. A two (2) workday written notice is required prior to any and all interruptions. Interruptions shall be scheduled so as to minimize duration and disruption to existing operations.

- 8.6.3**
- a. The Contractor shall send notices, make all necessary arrangements, and perform all other services required in the care and maintenance of all public utilities.
 - b. Enclosing or boxing in, for protection of any public utility equipment, shall be done by the Contractor. Upon completion of the Work, the Contractor shall remove all enclosures, and leave in a finished condition.
 - c. All connections to public utilities shall be made and maintained in a manner so as not to interfere with the continuing use of same by RCHC during the entire progress of the Work.

8.7 WORKING HOURS

8.7.1 All work shall be performed on a calendar day basis during the customary working hours of the trades involved unless otherwise specified in this Contract. Work performed by the Contractor of his own volition outside such established working hours shall be at no additional expense to RCHC and without RCHC approval.

8.7.2 It is expressly stipulated that no laborer, workman, or mechanic employed at any time by the Contractor or by any subcontractor(s) under this Contract upon the Work or any part thereof, shall be required or permitted to work thereon more than eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except, as provided by Section 1815 of the California Labor Code. It is further expressly stipulated that for each and every violation of Sections 1811-1815, inclusive, of the California Labor Code, all the provisions of which are deemed to be incorporated herein, said contractor shall forfeit, as a penalty to RCHC, twenty-five dollars (\$25.00) for each laborer, workman, or mechanic employed in the execution of this Contract by contractor for each calendar day during which said laborer, workman, or mechanic is required or permitted to work more than eight hours in any one calendar day and forty hours in any one calendar week in violation of the provisions of said Sections of the Labor Code.

8.7.3 The Contractor, and each subcontractor, shall keep an accurate record showing the names of and actual hours worked each calendar day and each calendar week by all laborers, workmen, and mechanics employed by them in connection with the Work contemplated by this Contract, which record shall be open at all reasonable hours to the inspection of RCHC or its officers or agents and to the Division of Labor Standards Enforcement of the Department of Industrial Relations.

8.7.4 No construction work shall be done on Saturdays, Sundays or RCHC holidays and no work shall be performed outside of normal working hours without the prior written consent of RCHC. In any event, all work shall be subject to approval of RCHC. Prior to start of such work, the Contractor shall arrange with RCHC for the continuous or periodic inspection of the Work and testing of materials, when necessary. If requests are made by the Contractor for permission to work overtime, nights, Saturdays, Sundays or RCHC holidays, and such requests are granted, the Contractor shall bear all extra expense to RCHC for inspection and other incidental expenses caused by such overtime work. If contractors are requested, in the interest of RCHC, to work overtime by RCHC, or if overtime work is specifically required by these specifications, all extra expense of inspection will be paid by RCHC.

8.8 MATERIAL & EQUIPMENT

8.8.1 Materials, equipment, and articles incorporated into the Work shall be new and of equal quality to the types and grades specified. When not particularly specified, the Contractor shall submit for approval satisfactory evidence as to the kind and quality of material. See SUBSTITUTION provision 5.3 concerning "or equal" requirements and procedure for submitting alternative material, articles, or equipment.

8.8.2 All materials shall be delivered so as to insure a speedy and uninterrupted progress of the Work. All materials shall be stored so as to cause no obstruction and so as to prevent overloading of any portion of the structure on the Work site, and the Contractor shall be entirely responsible for damage or loss by weather, theft, vandalism, or other cause.

8.8.3 Materials shall be stored to assure the preservation of their quality and fitness for the Work. Stored materials shall be reasonably accessible for inspection. When considered necessary by RCHC, stored materials shall be placed on wooden platforms or on other hard, clean surfaces and not directly on the ground, and shall be placed under cover when so directed.

8.9 LAYOUT OF WORK

8.9.1 The Contractor shall lay out its work from established base lines and benchmarks indicated on the drawings and shall be responsible for all measurements in connection with the layout. The Contractor shall furnish, at its own expense, all stakes, templates, platforms, equipment, tools, material, and labor required to lay out any part of the Work. The Contractor shall be responsible for executing the Work to the lines and grades that may be established or indicated in the Contract Documents. The Contractor shall also be responsible for maintaining and preserving all stakes and other marks established by RCHC until authorized to remove them. If such marks are destroyed by the Contractor before their removal is authorized, RCHC may replace them and deduct the expense of the replacement from any amounts due or to become due to the Contractor.

8.10 USE OF PREMISES

8.10.1 The Contractor shall maintain the entire premises under his control in an orderly condition. He shall store his apparatus, materials, supplies and equipment in such a manner as will not interfere with the progress of his work or the work of other contractors.

8.11 OPERATIONS & STORAGE

8.11.1 The Contractor shall confine all operations (including storage of materials) on RCHC premises to areas authorized or approved by RCHC.

8.11.2 Temporary buildings (e.g., storage sheds, shops, offices) and utilities may be erected by the Contractor only with the approval of RCHC and shall be built with labor and materials furnished by the Contractor without expense to RCHC. The temporary buildings and utilities shall remain the property of the Contractor and shall be removed by the Contractor at his expense upon completion of the work.

8.11.3 The Contractor shall, under regulations prescribed by the authority having jurisdiction, use only established roadways, or use temporary roadways constructed by the Contractor when and as authorized by the authority having jurisdiction. When materials are transported in performance of the Work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any Federal, State, or RCHC regulation. When it is necessary to cross curbs or sidewalks, the Contractor shall protect them from damage. The Contractor shall repair, or pay for the repair, of any damaged curbs, sidewalks, or roads.

8.12 HEAT/POWER/LIGHT

8.12.1 Unless otherwise specified or already provided by RCHC, the Contractor shall:

- a. Provide heat, as necessary to protect all work, materials, and equipment against injury from dampness and cold;

- b. Provide heat as necessary in the area where work is to be done to provide the minimum temperature recommended by the supplier or manufacturer of the material;
- c. Provide electric power and light as required for performance of the Work.

8.13 CLEANING UP

8.13.1 The Contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. Before completing the Work, the Contractor shall remove from the work and premises any weeds, rubbish, tools, scaffolding, equipment, and materials that are not the property of RCHC. Upon completing the Work, the Contractor shall leave the work area in a clean, neat, and orderly condition satisfactory to RCHC.

ARTICLE 9 SAFETY & HEALTH

9.1 ACCIDENT PREVENTION

9.1.1 In performing this Contract, the Contractor shall provide for protecting the lives and health of employees and other persons; preventing damage to property, materials, supplies, and equipment; and avoiding work interruptions. For these purposes, the Contractor shall:

- a. Provide a copy of its safety program;
- b. Provide appropriate safety barricades, signs, and signal lights;
- c. Comply with standards issued by the U.S. Government, State, RCHC and City, and other governing agencies having jurisdiction;
- d. Ensure that any additional measures RCHC determines to be reasonably necessary for this purpose are taken.

9.1.2 The Contractor shall maintain an accurate record of exposure data on all accidents incident to work performed under this Contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment. The Contractor shall report this data in the manner prescribed by RCHC.

9.1.3 Before beginning excavation for a trench 5 feet or more in depth, Contractor shall provide evidence of having obtained a permit from the authority having jurisdiction.

9.1.4 Nothing herein shall be deemed to allow use of shoring, sloping, or protective systems less effective than those required by the Construction Safety Orders of the California Division of Industrial Safety.

9.2 SANITARY FACILITIES

9.2.1 Contractor shall supply and maintain at its expense such toilets and other sanitary facilities including those which are accessible by the disabled as per ADA and Title 24 requirements necessary for use by visitors and workers employed at the job site. Such facilities shall be approved by RCHC.

9.3 RESPONSIBILITY FOR COMPLIANCE WITH CAL-OSHA

9.3.1 All work, materials, work safety procedures and equipment shall be in full accordance with the latest Cal-OSHA rules and regulations.

9.3.2 Contractor warrants that he and each of his subcontractors shall, in performance of this Contract, comply with each and every compliance order issued pursuant to Cal-OSHA. The Contractor assumes full and total responsibility for compliance with Cal-OSHA standards by his subcontractors as well as himself. The cost of complying with any order and/or payment of any penalty assessed pursuant to Cal-OSHA shall be borne by the Contractor. Nothing contained therein shall be deemed to prevent the Contractor and his subcontractors from otherwise allocating between themselves responsibility for compliance with Cal-OSHA requirements; provided, however, that the Contractor shall not thereby, in any manner whatsoever, be relieved of his responsibility to RCHC as herein set forth.

9.4 TOXIC AND HAZARDOUS MATERIALS AND WASTE

9.4.1 ASBESTOS

Operations which may cause release of asbestos fibers into the atmosphere shall meet the requirements of Title 8 CCR General Industrial Safety Orders, Section 5208 and California law. Some operations which may cause such concentrations include sanding, grinding, abrasive blasting, sawing, drilling, shoveling, or otherwise handling materials containing asbestos so that dust will be raised.

9.4.2 TOXIC MATERIALS

Operations which release toxic materials into the atmosphere shall meet the requirements of Title 8 CCR, General Industrial Safety Orders. Some operations which may release such materials include use of adhesives, sealants, paint, and other coatings.

9.4.3 LEAD-BASED PAINT

Lead-based paint is prohibited. Lead-based paint is defined as:

- a. Any paint containing more than five-tenths of one percentum lead by weight (calculated as lead metal in the total non-volatile content of the paint) or the equivalent measure of lead in the dried film of paint applied or both; or
- b. For paint manufactured after June 22, 1977, any paint containing more than six one-hundredths of one percentum lead by weight (calculated as lead metal) in the total content of the paint or the equivalent measure of lead in the dried film or paint already applied.

9.4.4 HAULING AND DISPOSAL

All hauling and disposal shall meet requirements of Title 22 CCR, Division 4, Chapter 30, "Minimum Standards for Management of Hazardous and Extremely Hazardous Wastes."

9.4.5 ASBESTOS PROHIBITED

No products or materials containing asbestos shall be incorporated into the Work without the prior written approval of RCHC.

ARTICLE 10 RCHC-FURNISHED PROPERTY

10.1 RCHC-FURNISHED PROPERTY

- 10.1.1** RCHC may furnish to the Contractor property as identified in the specification(s) to be incorporated or installed into the Work or used in performing the Contract. The listed property will be furnished f.o.b. railroad cars at the place specified in the Contract or f.o.b. truck at the project site. The Contractor is required to accept delivery. When the property is delivered, the Contractor shall verify its quantity and condition and acknowledge receipt in writing to RCHC within twenty-four (24) hours of delivery, also specifying any damage to or shortage of the property as received. All such property shall be installed or incorporated into the Work at the expense of the Contractor, unless otherwise indicated in this Contract.
- 10.1.2** Each item of property to be furnished under this clause shall be identified by the Contractor in a schedule by quantity, item, and description. Schedule form will be provided by RCHC.
- 10.1.3** The Contractor shall be held responsible for all material delivered to him and deductions will be made from any moneys due him to make good any shortages and deficiencies, from any cause whatsoever, which may occur after such delivery.
- 10.1.4** The Contractor shall set up accounting records and establish an inspection procedure as approved by RCHC.

ARTICLE 11 **BENEFICIAL OCCUPANCY**

11.1 **BENEFICIAL OCCUPANCY**

- 11.1.1** RCHC shall have the right to take possession of or use any completed or partially completed portion of the Work. RCHC's possession or use shall not be deemed an acceptance of any Work under the Contract. The Contractor will continue to pay for any portion of the utilities which he is using.
- 11.1.2** While RCHC has such possession or use, the Contractor shall be relieved of the responsibility for the loss of or damage to that portion of the Work resulting from RCHC's possession or use. If Contractor believes the partial possession or use by RCHC will delay the progress of the Work or will cause additional expense to the Contractor, Contractor shall immediately submit a written request for an equitable adjustment in the Contract price or the time of completion. RCHC will then consider such request and, if in its judgment it is justified, RCHC will modify the contract in writing accordingly. In the event the Contractor disagrees with RCHC's decision, the Contractor shall be required to submit a claim pursuant to the DISPUTE article.

ARTICLE 12 **INSPECTION AND TESTING**

12.1 **INSPECTION AND TESTING**

- 12.1.1** The Contractor shall maintain an adequate inspection system and perform such inspections as will ensure that the work called for by this Contract conforms to contract requirements. The Contractor shall maintain complete inspection records and make them available to RCHC. RCHC shall at all times have access to the Work, and the Contractor shall provide proper facilities for such access and for inspection.
- 12.1.2** RCHC inspections and tests are for the sole benefit of RCHC and do not:
- a. Relieve the Contractor of responsibility for providing adequate quality control measures;
 - b. Relieve the Contractor of responsibility for damage to or loss of the material before Acceptance;

- c. Constitute or imply Acceptance; or
- d. Affect the continuing rights of RCHC after Acceptance regarding latent defects, gross mistakes, fraud or RCHC's rights under any warranty or guarantee.

- 12.1.3** The presence or absence of an RCHC inspector does not relieve the Contractor from any Contract requirement, nor is the inspector authorized to change any term or condition of the specifications without RCHC's written authorization.
- 12.1.4** The Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by the RCHC. The RCHC may charge to the Contractor any additional cost of inspection or test when work is not ready at the time specified by the Contractor for inspection or test, or when prior rejection makes reinspection or retest necessary. Special, full size, and performance tests shall be performed as described in the Contract.
- 12.1.5** The Contractor shall, without charge, replace or correct work found by the RCHC not to conform to contract requirements, unless in the public interest RCHC consents to accept the work with an appropriate adjustment in Contract price. The Contractor shall promptly segregate and remove rejected material from the premises.
- 12.1.6** If, before Acceptance of the Work, RCHC decides to examine already completed work by removing it or tearing it out, the Contractor, on request, shall promptly furnish all necessary facilities, labor, and material. If the work is found to be defective or nonconforming in any material respect due to the fault of the Contractor or its subcontractors, the Contractor shall defray the expenses of the examination and of satisfactory reconstruction. However, if the work is found to meet Contract requirements, RCHC shall issue a Change Order for such removal and reinstallation.
- 12.1.7** The Contractor shall at all times maintain proper facilities and provide safe access for inspection by RCHC to all parts of the work, and to the shops wherein the work is in preparation. Where the specifications require work to be specially tested or approved, it shall not be tested or covered up without timely notice to the RCHC of its readiness for inspection and without the approval or consent of RCHC. Should any such work be covered up without such notice, approval, or consent, it must, if required by RCHC, be uncovered for examination at the Contractor's expense.
- 12.1.8** The Contractor shall notify RCHC at least one (1) workday in advance of the time scheduled for the inspection. Should the Contractor fail to notify RCHC and proceed with work requiring inspection, all such work is rejected, and no further work shall be done on that portion of the project until the rejected work is accepted by RCHC. Should the Contractor request acceptance of such rejected work RCHC shall, at the Contractor's expense, secure the services of private material testing laboratories, consulting engineers or licensed land surveyors, who shall certify that said work does in fact conform to the requirements of the Contract Documents. The work previously rejected shall be accepted by RCHC after receipt of such certification if RCHC approves of such certification.
- 12.1.9** If the Contractor does not promptly replace or correct rejected work, RCHC may (1) by contract or otherwise, replace or correct the work and charge the cost to the Contractor or (2) terminate for default the Contractor's right to proceed.
- 12.1.10** Construction review of the Contractor's performance by RCHC is not intended to include the review of the adequacy of the Contractor's safety measures, in, on, or near the construction site.
- 12.1.11** The RCHC will pay for initial testing services specified to be performed by RCHC. When initial tests

indicate non-compliance with the Contract Documents, subsequent retesting occasioned by the non-compliance shall be performed by the same testing agency, and costs thereof will be deducted by RCHC from the Contract Sum.

12.2 INSPECTION BY OTHER JURISDICTIONS

Whenever any part of the Work to be performed is under the jurisdiction or control of another public entity, including but not limited to: The United States Government, State of California, or City, such work shall be subject to inspection by the officials of such entities and it must pass inspection, in addition to RCHC inspection, and such other inspections as may otherwise be provided for in the Contract Documents.

12.3 FINAL INSPECTION AND TESTS

The Contractor shall give RCHC at least ten (10) calendar days advance written notice of the date the Work will be fully completed and ready for final inspection and tests. Final inspection and tests will be started within ten (10) calendar days from the date specified in the aforementioned notice unless RCHC determines that the Work is not ready for final inspection and so informs the Contractor.

ARTICLE 13 ACCEPTANCE

13.1 ACCEPTANCE OF THE WORK

13.1.1 After the final inspection by RCHC and all the contract documentation has been received, it will be recommended to the RCHC Board of Directors to accept the Work and file a Notice of Completion. Upon approval of the Notice of Completion, a copy will be sent to the Contractor. (See final payment clause.) Upon Acceptance of the Work, Contractor will be relieved of the duty of maintaining and protecting the Work. Neither determination by RCHC that the Work is complete, nor Acceptance thereof, shall operate as a bar to RCHC's claim against Contractor pursuant to Contractor's warranty and guarantees.

13.1.2 Partial payments shall not be construed as acceptance of any part of the Work.

13.1.3 In judging the Work, no allowance for deviations from the drawings and specifications will be made, unless already approved in writing at the time and in the manner as called for herein.

13.1.4 RCHC shall be given adequate opportunity to make any necessary arrangements for fire insurance and extended coverage.

13.1.5 The Acceptance of the Work will not be recommended until all requirements of the Contract Documents are complete and approved by RCHC. This shall include, but is not limited to, all construction, guarantee forms, parts lists, schedules, tests, operating instructions, as-built drawings, and all other documentation identified by the Contract Documents.

ARTICLE 14 WARRANTY AND GUARANTEES

14.1 CONTRACTOR'S WARRANTY AND GUARANTEE

14.1.1 Contractor warrants that all materials and equipment furnished under this Contract shall be new unless otherwise specified, and that all Work performed under this Contract conforms to the Contract requirements and is free of any defect whether performed by the Contractor or any subcontractor or supplier.

14.1.2 This warranty shall continue for a period of one (1) year from the date of filing of Notice of Completion on the

Work. The Performance Bond shall remain in force during the warranty period.

- 14.1.3 The Contractor shall remedy at the Contractor's expense any damage to RCHC-owned or controlled real or personal property, when that damage is the result of:
- a. The Contractor's failure to conform to Contract requirements or
 - b. Any defect of equipment, material, workmanship, or design furnished by the Contractor.
- 14.1.4 The Contractor shall restore any work damaged in fulfilling the terms and conditions of this Article. The Contractor's warranty with respect to work repaired or replaced will run for one (1) year from the date of repair or replacement.
- 14.1.5 RCHC shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage. The Contractor shall within ten (10) calendar days after being notified in writing by RCHC of any work not in accordance with the requirements of the Contract or any defects in the Work, commence, and perform with due diligence, all work necessary to fulfill the terms of this Article. If the Contractor fails to remedy any defect, or damage within fourteen (14) calendar days after receipt of notice, the RCHC shall have the right to replace, repair, or otherwise remedy the defect, or damage at the Contractor's expense. Payment due to the Architect from RCHC for extra architectural services required in the enforcement of Contractor's guarantee after Acceptance of the Work shall be paid to RCHC by the Contractor.
- 14.1.6 In the event of any emergency constituting an immediate hazard to health or safety of RCHC employees, property, or licensees, when caused by work of the Contractor that is not in accordance with the Contract requirements, RCHC may undertake at Contractor's expense and without prior notice, all work necessary to correct such hazardous condition(s).
- 14.1.7. With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this Contract, the Contractor shall:
- a. Obtain all warranties that would be given in normal commercial practice;
 - b. Require all warranties to be executed, in writing, for the benefit of RCHC, unless directed otherwise by RCHC; and
 - c. Enforce all warranties for the benefit of RCHC, unless otherwise directed by RCHC.
- 14.1.8 This warranty shall not limit RCHC's rights under the Inspection and Acceptance section(s) of this Contract with respect to latent defects, gross mistakes, or fraud.

ARTICLE 15 ENVIRONMENTAL PROTECTION

15.1 DUST CONTROL

- 15.1.1 The Contractor shall provide any and all dust control required.
- 15.1.2 Whenever the Contractor is negligent in providing dust control, RCHC shall order the Contractor to provide such dust control. If the Contractor does not comply promptly with such order, RCHC shall have the authority to provide such dust control and charge the Contractor therefore by deducting the cost from progress payments to the Contractor as such costs are incurred by RCHC. RCHC shall not be held responsible for schedule delays due to actions taken by RCHC to mitigate the failure of the Contractor in providing dust control.

15.2 EXCESSIVE NOISE

- 15.2.1** The Contractor shall use only such equipment on the Work and in such state of repair that the emission of sound therefrom is within the noise tolerance level of that equipment as established by CAL-OSHA.
- 15.2.2** Should RCHC determine that the muffling device on any equipment used on the Work is ineffective or defective so that the noise tolerance of such equipment is exceeded, such equipment shall not, after such determination by RCHC, be used on the Work until its muffling device is repaired or replaced so as to bring the noise tolerance level of such equipment within such standards.

15.3 POLLUTION CONTROL, CLEANING

The Contractor shall not, in connection with the Work, discharge any smoke, dust, or other contaminants into the atmosphere which are in violation of South Coast Air Quality Management District standards or discharge any fluids or materials into any lake, river, stream, or channel as will violate regulations of State of California Water Resources Board. The Contractor shall control accumulation of waste materials and rubbish and dispose of waste materials and rubbish off-site at a minimum of weekly intervals. Burning of materials is not permitted.

ARTICLE 16 EMPLOYMENT PRACTICES

16.1 QUALIFICATIONS FOR EMPLOYMENT AND APPRENTICESHIP STANDARDS

- 16.1.1** In accordance with Section 1735 of the California Labor Code, no person under the age of 16 years and no person currently serving sentence in a penal or correctional institution shall be employed to perform any Work under this Contract. No person whose age or physical condition is such as to make his employment dangerous to his health or safety or to the health or safety of others shall be employed to perform Work under this Contract; provided that this requirement shall not operate against any physically handicapped persons otherwise employable where such persons may be safely assigned to Work which they ably perform.
- 16.1.2** This contract is subject to the provisions of Sections 1777.5 and 1777.6 of the California Labor Code concerning the employment of apprentices by the Contractor or any subcontractor under him. Section 1777.5 as amended, requires the Contractor or subcontractor employing tradesmen in any apprenticeable occupation to apply to the Joint Apprenticeship Committee nearest the site of this project and which administers the apprenticeship program in that trade for a certificate of approval. The certificate will also fix the ratio of apprentices to journeymen that will be used in the performance of the Contract.
- 16.1.3** The Contractor is required to make contributions to funds established for the administration of apprenticeship programs if he employs registered apprentices or journeymen in any apprenticeable trade on such contracts and if other contractors on the public works site are making contributions.
- 16.1.4** All employees engaged in work on the project under this Contract shall have the right to organize and bargain collectively through representatives of their own choosing, and such employees shall be free from interference, restraint, and coercion of employers in the designation of such employees for the purpose of collective bargaining or other mutual aid or protection, and no person seeking employment under this Contract shall be required as a condition of initial or continued employment to join any company, union, or to refrain from joining, organizing, or assisting a labor organization of such person's own choosing. No person in the employment of the RCHC shall be employed by this contractor.

16.2 WAGES & RECORDS

16.2.1 WAGE RATES

- a. Pursuant to Section 1770 and 1773 et seq. of the Labor Code of the State of California, the Director of Industrial Relations has ascertained the general prevailing rate of per diem wages and the rates for overtime and holiday work in the locality in which the work is to be performed for each craft, classification, or type of workman needed to execute the contract which will be awarded to the successful bidder, copies of which are on file and available upon request at the Clerk of the Board, Board of Supervisors, 4080 Lemon St., 14th Floor, Riverside, CA 92501-3655, and shall be posted at the job site.
- b. It shall be mandatory upon the Contractor and upon any subcontractor under him, to pay not less than the said specified rates to all laborers, workmen, and mechanics employed in the execution of the Contract. It is further expressly stipulated that the Contractor shall, as a penalty to RCHC, forfeit two hundred dollars (\$200.00) for each calendar day, or portion thereof, for each laborer, workman, or mechanic paid less than the stipulated prevailing rates for any work done under this Contract by him or by any subcontractor under him; and Contractor agrees to comply with all provisions of Section 1770 et. seq. of the Labor Code.
- c. In case it becomes necessary for the Contractor or any sub-contractor to employ on the project under this Contract any person in a trade or occupation (except executives, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate is herein specified, the Contractor shall immediately notify RCHC who will promptly thereafter determine the prevailing rate for such additional trade or occupation and shall furnish the Contractor with the minimum rate based thereon. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.
- d. RCHC 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 as provided herein. 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 RCHC on the Contract.

16.2.2 WAGE RECORDS

- a. The Contractor and each subcontractor shall keep or cause to be kept an accurate record (certified payroll) showing the names and occupations of all laborers, workers, and mechanics employed by him in connection with the execution of this Contract or any subcontract thereunder. The record shall show the actual per diem wages paid to each of said workers, which records shall be provided to RCHC, and to the Division of Labor Standards Enforcement upon its request. Copies provided will include one which has the name and social security numbers marked out.

16.3 NOTICE OF LABOR DISPUTES

- 16.3.1** If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Contract, the Contractor shall immediately give notice, including all relevant information, to RCHC.

16.3.2 The Contractor agrees to insert the substance of this clause, including this paragraph into any subcontract in which a labor dispute may delay the timely performance of this Contract; except that each subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the subcontractor shall immediately notify the next higher tier subcontractor or the prime Contractor, as the case may be, of all relevant information concerning the dispute.

16.4 NONDISCRIMINATION

16.4.1 EQUAL EMPLOYMENT OPPORTUNITY

- a. Contractor agrees for the duration of this Contract that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap. The Contractor will take affirmative action to insure that employee(s) are treated during employment or training without regard to their race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The Contractor will in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, age, political affiliation, marital status, or handicap.
- c. The Contractor will send to each labor union or other representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the workers' representative of the Contractor commitments under this agreement.
- d. The Contractor agrees that it will comply with the provisions of Titles VI and VII of the Civil Rights Act, Revenue Sharing Act Title 31, U.S. Code Section 2716, and California Government Code Section 12990.
- e. The Contractor agrees that it will assist and cooperate with RCHC, the State of California and the United States Government in obtaining compliance with the equal opportunity clause, rules, regulations, and relevant orders of the State of California and United States Government issued pursuant to the Acts.
- f. In the event of Contractor's non-compliance with the discrimination clause, the affirmative action plan, or with any of the said rules, regulations or orders, this Contract may be canceled, terminated, or suspended in whole or in part by RCHC

16.4.2 HANDICAPPED NON-DISCRIMINATION

This project is subject to Section 504 of the Rehabilitation Act of 1973 as amended. (29 U.S.C. 794), and the Americans with Disabilities Act of 1990, as amended, and all requirements imposed by the guidelines and interpretations issued thereto. In this regard, the RCHC and all of its contractors and subcontractors will take all reasonable steps to ensure that handicapped individuals have the maximum opportunity for the same level of aid, benefit or service as any other individual.

16.4.3 FAIR EMPLOYMENT AND HOUSING ACT ADDENDUM

In the performance of this Contract, the Contractor will not discriminate against any employee or Applicant for employment because of race, sex, color, religion, ancestry, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, sex, color, religion, ancestry, or national origin. Such action shall include, but not limited to, the following: employment, upgrading, promotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the State or local agency setting forth the provisions of this Fair Employment and Housing Section.

16.4.4 ACCESS TO RECORDS

The Contractor will permit access to his records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment and Housing Commission, or any other agency of the State of California designated by the awarding authority, for the purposes of investigation to ascertain compliance with the Fair Employment and Housing section of this Contract.

16.4.5 REMEDIES FOR WILLFUL VIOLATION

The State or local agency may determine a willful violation of the Fair Employment and Housing provision to have occurred upon receipt of a final judgment having that effect from a court in an action to which Contractor was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that the Contractor has violated the Fair Employment and Housing Act and has issued an order or obtained an injunction under Government Code Sections 12900, et seq.

ARTICLE 17 SUBCONTRACTING

17.1 SUBCONTRACTORS

17.1.1 A subcontractor is an individual, firm or corporation having a direct contract with the Contractor or with any other subcontractor for the performance of a part of the Work. In accordance with Section 4104 of the Public Contract Code, each Contractor, in his bid, shall include the name and location of each subcontractor who will perform work or labor, or render services to the Contractor in or about the Work in an amount in excess of one half of 1% of the Contractor's total bid.

17.1.2 RCHC reserves the right to approve all subcontractors. Such approval shall be a consideration to the awarding of the Contract and unless notification to the contrary is given to the Contractor prior to the signing of the Contract, the list of subcontractors which is submitted with his proposal will be deemed to be acceptable.

17.1.3 The Contractor shall be as fully responsible to RCHC for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him.

17.1.4 Nothing contained in the Contract Documents shall create any contractual relationship between any subcontractor and RCHC.

17.1.5 The divisions or sections of the specifications are not intended to control the Contractor in dividing the Work

among subcontractors or to limit the work performed by any trade.

17.2 RELATIONS OF CONTRACTOR AND SUBCONTRACTOR

17.2.1 The Contractor agrees to bind every subcontractor by the terms of the Contract with RCHC, the General Conditions, Supplementary Conditions, and the drawings and specifications as far as applicable to his work, unless specifically noted to the contrary in a subcontract approved in writing as adequate by RCHC.

17.3 SUBCONTRACTS

17.3.1 Pursuant to the provisions of Sections 4100 to 4114 of the California Public Contract Code, inclusive, the Contractor shall not, without the consent of RCHC, either:

- a. Substitute any persons as subcontractors in place of the subcontractors designated in his original bid without the consent of RCHC. (RCHC's consent can only be given in cases permitted by Public Contract Code Section 4107.)
- b. Permit any subcontract to be assigned or transferred or allow any work to be performed by anyone other than the original subcontractor listed in his bid.
- c. Sublet or subcontract any portion of the work in excess of one-half of one percent of his bid to which his original bid did not designate a subcontractor.

Should the Contractor violate any of the provisions of Sections 4100 to 4114, inclusive, of the Public Contract Code, his so doing shall be deemed a violation of this Contract, and RCHC may either cancel the contract, or assess the Contractor a penalty in the amount of not more than ten (10) percent of the amount of the subcontract involved, or both.

ARTICLE 18 TAXES

18.1 SALES AND PAYROLL TAXES

18.1.1 Each Contractor, subcontractor, and material dealer shall include in their bid all applicable taxes including but not limited to sales tax and payroll taxes required by law.

ARTICLE 19 CHANGES

19.1 CHANGE ORDER WORK

19.1.1 RCHC reserves the right to make changes in the work without impairing the validity of the Contract. RCHC may make changes to the work, or suspend the work, and all such changes or suspension are within the contemplation of the parties and will not be a basis for compensable delay. Such changes may be made in accordance with any of the following methods:

- a. By written change order to the Contract ordered by the Board of Commissioners.
- b. By written change order, signed by the Contracting Officer, in the manner and amounts specified by RCHC procurement and procedure manual.
- c. By written authorization, issued by the Contracting Officer, for items of work done under unit prices. The cost or credit for such added or omitted work shall be determined by multiplying the number of units added to or omitted from the work by the applicable unit price.

- 19.1.2** Upon receipt of a proposed Change Order from RCHC, the Contractor shall submit a proposal in accordance with the requirements and limitations set forth in this "Change Orders" article, for work involved in the contemplated change.
- 19.1.3** The Contractor must submit a cost proposal within fifteen (15) calendar days after receipt of the proposed change order. The Contractor must submit cost proposals in less than fifteen (15) calendar days if requested by RCHC or if required by schedule limitations.
- 19.1.4** If the Contractor fails to submit the cost proposal within the 15-day period (or as requested), RCHC has the right to order the Contractor in writing to commence the work immediately on a force account basis and/or issue a lump sum change to the contract price in accordance with RCHC's estimate of cost. If the change is issued based on RCHC estimate, the Contractor will waive his right to dispute the action unless within fifteen (15) calendar days following completion of the added/deleted work, the Contractor presents proof that RCHC's estimate was in error.
- 19.1.5** If RCHC disagrees with the proposal submitted by Contractor, it will notify the Contractor in writing and the Contractor may elect to proceed under the DISPUTE article of this Contract, or, in the event either party contests the price or time extension of Change work, or time is of the essence, RCHC may issue a Construction Change Directive and the contractor shall proceed with the work. RCHC will provide its opinion of the appropriate price and/or time extension in a "Response to Change Order Request." If the contractor agrees with RCHC's estimate, a change order will be issued by RCHC. If no agreement can be reached, RCHC shall have the right to issue the Change Order Directive setting forth its unilateral determination of the reasonable additions or savings in costs and time attributable to the extra or deleted work. Such determination shall become final and binding if the Contractor fails to submit a Claim in writing to RCHC, within twenty-one (21) days of the Change Order Directive, disputing the terms of such Directive. No dispute, disagreement, or failure of the parties to reach agreement regarding the amount, if any, of any adjustment to the contract sum or contract time shall relieve the Contractor from the obligation to proceed with performance of the work, including extra work, promptly and expeditiously.
- 19.1.6** The Contractor will give notice of a requested change on his letterhead within seven (7) calendar days of discovery and, if RCHC agrees, a proposed change order will be issued on RCHC's standard change order form.
- 19.1.7** If any change involves an increase or decrease in the cost of the Contractor's work, a change order shall state the amount to be added or deducted from the Contract amount, and the additional time, if any, needed for the performance of such work.
- 19.1.8** Any changes to the Contract amount shall be in a lump sum mutually agreed to by the Contractor and RCHC, except that when, in the opinion of RCHC, such basis is not feasible the change to the Contract amount shall be determined upon a cost-plus-percentage basis with a guaranteed maximum lump sum cost within the limitations provided by law.
- 19.1.9** Each lump sum quotation from the Contractor shall be accompanied by sufficiently detailed estimates to permit verification of totals in accordance with (a) through (d) in 19.1.11 below.
- 19.1.10** When the work is to be done on a cost-plus-percentage basis, the Contractor shall submit statements as required by RCHC showing all labor, material, and equipment costs incurred, and upon completion of the work, a summary of costs, including overhead and profit, and in accordance with Item (a) through (d) in 19.1.11 below.

19.1.11 Estimates for lump sum quotations and accounting for cost-plus-percentage work shall be limited to direct expenditures necessitated specifically by the subject extra work, and shall be segregated as follows:

- a. **Labor.** The costs of labor will be the actual cost for wages prevailing locally for each craft or type of worker at the time the extra work is done, plus employer payments of payroll taxes and insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from Federal, State, or local laws, as well as assessment or benefits required by lawful collective bargaining agreements. The use of a labor classification which would increase the extra work cost will not be permitted unless the contractor establishes the necessity for such additional costs. Labor costs for equipment operators and helpers shall be reported only when such costs are not included in the invoice for equipment rental.
- b. **Materials.** The cost of materials reported shall be at invoice or lowest current price at which such materials are locally available in the quantities involved, plus sales tax, freight and delivery.
- c. **Tool and Equipment Use.** No payment will be made for the use of tools which have a replacement value of \$100 or less. Regardless of ownership, the rates to be used in determining equipment use costs shall not exceed listed rates prevailing locally at equipment rental agencies, or distributors, at the time the work is performed.
- d. **Overhead, Profit and Other Charges.** The mark-up for overhead and profit on work added to the Contract shall be according to the following Schedule.
 - (1) For work performed by the Contractor's forces the added cost for overhead and profit shall not exceed fifteen (15%) percent of the net cost of the work, equipment, labor and materials.
 - (2) For work performed by a subcontractor, the added cost for overhead and profit shall not exceed fifteen (15%) percent of the net cost of the work, equipment, labor, and materials, to which the Contractor may add five percent (5%) of the subcontractor's price of the work.
 - (3) For work performed by a sub-subcontractor the added cost for overhead and profit shall not exceed fifteen (15 %) percent of the net cost for work, equipment, labor, and materials to which sub-contractor and general contractor may each add an additional five (5 %) percent of the total price from the lower tier subcontractor.
 - (4) "Net Cost" is defined as consisting of costs of labor, materials and equipment use and/or rental only. The costs of applicable insurance and bond premium will be reimbursed to the Contractor and subcontractors at cost only, without mark-up.
 - (5) The cost of direct supervision, except when provided by working foreman whose time is included above, of change order work when done exclusively, and not in conjunction or at the same time as, other work performed on the job and when approved in advance by RCHC's authorized representative, including only payroll taxes, insurance, pension and direct costs for the labor of supervision may be charged to the change order. The cost of transportation, use of vehicle and other costs incurred by supervision will not be allowed.

- 19.1.12** For added or deducted work by subcontractors, the Contractor shall furnish to RCHC the subcontractor's signed detailed estimate of the cost of labor, material, and equipment, including the markup by such subcontractor for overhead and profit. The same requirement shall apply to sub-subcontractors.
- 19.1.13** For added or deducted work furnished by a vendor or supplier, the Contractor shall furnish to RCHC a detailed estimate or quotation of the cost to the Contractor for such work, signed by such vendor or supplier.
- 19.1.14** Any change in the work involving both extras and credits shall show a new total cost, including subcontracts. Allowance for overhead and profit, as specified therein, shall be applied if the net total cost is an extra; overhead and profit allowances shall not be applied if the net total cost is a credit. The estimated cost of deductions shall be based on labor and material prices on the date the Contract was executed.
- 19.1.15** The Contractor shall identify any adjustment in time of the final completion of the Work as a whole which is directly attributable to the changed work within fifteen (15) calendar days of receipt of the proposed change order. The Contractor's request for a change in time will be supported by a detailed schedule analysis including a schedule indicating the activities which have been affected and the additional time being requested.
- a. For a change in time for the Work, the Contractor shall be entitled only to such adjustments where completion of the entire Work (critical path) is delayed due to the performance of the changed work. Failure to request extra time when submitting such estimate shall constitute waiver of the right to subsequently claim adjustment in time for final completion based upon such changed work.
 - b. If RCHC and the Contractor fail to arrive at an agreement on the amount of extra cost, credit or time extension for a proposed change, a change order will be processed in the amount believed by RCHC to be reasonable, and the Contractor shall proceed with the work. If the Contractor believes that the amount or time stipulated in the change order is not reasonable for the work required, he may elect to issue a notification in accordance with the DISPUTES article for review by RCHC, stating therein the basis for his dispute with such change order.
- 19.1.16** Any change in the Work shall conform to the original Contract Documents insofar as they may apply without conflict to the conditions involved in the change.
- 19.1.17** Payment for additional work or extras, if any, shall become due and payable in accordance with the provisions for payment in the Contract.
- 19.1.18** Contractor shall not reserve a right to assess impact cost, extended job site costs, extended overhead, and/or constructive acceleration at a later date as related to any and all changes. All costs or estimated costs must be supported with full schedule and cost documentation with each proposed change within the prescribed submission times. If a request for a change is denied and the Contractor disputes the denial, the Contractor must supply the aforementioned documentation to support his claim under the DISPUTES article of this Contract. No claims shall be allowed for impact, extended overhead costs, and/or construction acceleration due to the multiplicity of changes and/or clarifications. Any attempt by Contractor to change or modify the change order form (sample included herein) shall void the form, including any letters the Contractor may issue in conjunction therewith.
- 19.1.19** All alterations, extensions of time, extra and additional work and other changes authorized by these specifications or any part of the Contract may be made without securing consent of the surety or sureties on the contract bonds.

19.2 CHANGE ORDERS AND LABOR RATES GUIDELINES

19.2.1 The following are guidelines for preparing change orders:

a. Labor Rates:

- (1) To establish the labor rate for each classification and trade, a breakdown shall be submitted to RCHC.
- (2) Labor rates are based on current prevailing state and federal wages. Only those benefits mandated by law or a valid labor contract are paid by RCHC.
- (3) Payroll taxes shall be paid as mandated by law. Labor related insurances shall be paid according to industry standard average.
- (4) No other costs related to labor shall be paid by RCHC.

b. Change Orders:

- (1) Change orders shall be prepared in accordance with the project contract.
- (2) No insurance costs are paid by RCHC, except for labor insurances specified in this guideline under section 1 titled "LABOR RATES".
- (3) Material cost shall be broken down on a separate sheet, and for those jobs designated as time and material shall be supported by valid invoices from suppliers.
- (4) Hours for non-productive labor, such as non-working foremen or general foremen, shall be paid only when justified in the opinion of RCHC, and approved by RCHC. The total number of nonproductive labor hours shall be limited to a maximum of 15% of the total number of productive labor hours.
- (5) Cost of use of special equipment shall be paid when justified in the opinion of RCHC and approved by RCHC. Equipment refers to special equipment that is needed to perform that specific job and does not include the usual tools customarily required for that trade. Small tools costs are not paid by RCHC.
- (6) Material transportation costs are paid by RCHC when justified in the opinion of RCHC and approved by RCHC's authorized representative.
- (7) Overhead, profit, and fees on subcontracts, are paid according to the contract.
- (1) No costs other than those designated above shall be paid by RCHC. The percentages of overhead and fee allowed with change orders have been established to account for any other direct or indirect costs that might be incurred due to the change order.

19.3 AUDIT

- 19.3.1** RCHC shall have the right to examine and audit all books, estimates, records, contracts, bid documents, subcontracts, and other data of the Contractor, (including computations and projections) related to negotiating, pricing, or performing the modification in order to evaluate the accuracy and completeness of the cost or pricing data at no additional cost to RCHC.
- 19.3.2** The Contractor shall make available at its office at all reasonable times the materials described in paragraph 19.3.1 above, for examination, audit, or reproduction, until 4 years after final payment under this Contract.
- 19.3.3** The Contractor shall insert a clause containing all the provisions of this 19.3, including this paragraph, in all subcontracts over \$10,000 under this contract.

ARTICLE 20 PAYMENT

20.1 PROGRESS PAYMENTS

- 20.1.1** RCHC shall pay the Contractor the price as provided in this Contract.
- 20.1.2** RCHC shall make progress payments monthly as the Work proceeds, on estimates approved by RCHC. The Contractor shall furnish a breakdown of the total contract price, in a format provided by RCHC, showing the amount included therein for each principal category of the work, in such detail as requested, to provide a basis for determining progress payments.
- 20.1.3** Contractor shall submit to RCHC vouchers, schedule activities, or other satisfactory proof of the value of any work for which he claims payment on such account, and receipts showing that progress payments have been duly made on such contracts, and for materials furnished.
- 20.1.4** In the preparation of estimates, RCHC may authorize 75% of the value of material delivered and satisfactorily stored on the site, and preparatory work done to be taken into consideration for major equipment if:
- a. Consideration is specifically authorized by this Contract; and
 - b. The Contractor furnishes certified receipt that it has acquired title and paid invoices for such material and that the material will be used to perform this Contract.
- 20.1.5** On the 25th of each month the Contractor will submit his request for payment. Prior to that submittal RCHC will review the requested percentage of completion for each activity. The payment request will be in the format as provided by RCHC and will refer to the schedule.
- 20.1.6** Upon receipt of a payment request, RCHC shall:
- a. Review that request as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request; and
 - b. Any payment request determined not to be a proper request suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) calendar days after receipt. The returned request for payment shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.
- 20.1.7** Any progress payment which is undisputed and properly submitted and remains unpaid for thirty (30) calendar days after receipt by RCHC shall accrue interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the California Code of Civil Procedure. The number of days available to

RCHC to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which RCHC exceeds the seven-day return requirement set forth in 20.1.6 above.

- 20.1.8** In making these progress payments, there shall be retained five percent (5%) from the amount of each progress payment until the work is complete.
- 20.1.9** Except as otherwise prohibited by law, the Contractor may elect to receive all payments due under the contract pursuant to this section without any retention, by posting securities in accordance with Public Contract Code Section 22300.
- 20.1.10** Contractor and each subcontractor shall pay each of its employees engaged in work under this Contract in full (less deductions made mandatory by law) in accordance with California law.
- 20.1.11** RCHC may withhold (in excess of retentions) or, on account of subsequently discovered evidence, nullify the whole or a part of any certificate to such extent as may be necessary to protect RCHC from loss on account of:
- a. Defective work not remedied.
 - b. Claims filed or reasonable evidence indicating probable filing of claims.
 - c. Failure of the Contractor to make payments properly to subcontractors or for material or labor.
 - d. Damage to another Contractor.
 - e. Delays in progress toward completion of the work, with the stipulated amount of liquidated damages being withheld for each day of delay for which no extension is granted.
 - f. Default of the Contractor in the performance of the terms of the Contract.
- 20.1.12** Should stop notices be filed with RCHC, RCHC shall withhold the amount required plus 25% from certificates until such claims shall have been resolved pursuant to applicable law. California Civil Code Section 9000 et seq.
- 20.1.13** Contractor shall provide (1) forms of conditional releases of stop notice and bond rights upon progress payment, complying with California Civil Code Section 8132, for all work performed during the time period covered by the current Application for Payment, signed by the Contractor and the subcontractors of every tier; and (2) forms of unconditional release of stop notice and bond rights upon progress payment, complying with Civil Code Section 8134 for all work performed during the time period covered by previous Application for Payment, signed by Contractor and the subcontractors of every tier.
- 20.1.14** All material and work covered by progress payments made shall, at the time of payment, become the sole property of RCHC, but this shall not be construed as:
- a. An acceptance of any work not in accordance with the Contract Documents; or
 - b. Waiving the right of RCHC to require the fulfillment of all of the terms of the contract.

20.2 FINAL PAYMENT

20.2.1 GENERAL

- a. RCHC shall pay the amount due the Contractor under this Contract after:
 - 1.) The Acceptance of all work and Notice of Completion per the terms of this Contract;
 - 2.) Presentation of a properly executed voucher;
 - 3.) Submission of conditional releases and waivers of stop notice and bond rights upon final payment in the form required by California Civil Code Section 8136 executed by Contractor and by all the subcontractors of every Tier.
 - 4.) Presentation of release of all claims against RCHC arising by virtue of this Contract, other than claims and disputes in stated amounts that the Contractor has specifically excepted from the operation of the release.
- b. The Contractor may, if any subcontractor refuses to furnish a release or receipt in full, furnish a bond satisfactory to RCHC, to indemnify him against any lien.

20.2.2 FINAL CERTIFICATE FOR PAYMENT

- a. When the work is ready for acceptance by RCHC, they will certify a Notice of Completion. Upon approval of the Notice of Completion, a copy will be sent to the Contractor.
- b. Notice of Completion will be recorded by RCHC upon completion and Acceptance of the Work. Providing no stop notices have been filed, thirty-five (35) calendar days after filing of such Notice of Completion, payment due under the contract will become due to the Contractor and RCHC shall so certify authorizing the final payment.

20.2.3 FINAL PAYMENT

- a. After Acceptance of Work, RCHC will submit to Contractor a statement of the sum due Contractor under this contract, together with RCHC's payment in the amount thereof. Said statement shall take into account the contract price, as adjusted by any change orders; amounts already paid; sums to be withheld for incomplete work; liquidated damages; and for any other cause under the Contract.
- b. The Contractor shall, from the effective date of Acceptance until the expiration of four years after final settlement under this Contract, preserve and make available to RCHC, all its books, records, documents, and other evidence bearing on the costs and expenses of the Contractor under this Contract.

ARTICLE 21 SUSPENSION OF WORK/TERMINATION

21.1 NON-COMPLIANCE WITH CONTRACT REQUIREMENTS

21.1.1 In the event the Contractor, after receiving written notice from RCHC of non-compliance with any requirement of this Contract, fails to promptly initiate appropriate action to comply with the specified requirement, RCHC shall have the right to withhold payment for work completed under the Contract until

the Contractor has complied with the notice or has initiated such action as may be appropriate to comply, within a reasonable period of time. The Contractor shall not be entitled to any extension of contract time or payment for any costs incurred for work under this article.

21.1.2 Should the Contractor abandon the Work called for under the Contract, or assign his Contract, or unnecessarily and unreasonably delay the work, or willfully violate or perform the work in bad faith, RCHC shall have the power to notify the Contractor to discontinue all work or any part thereof under this Contract, and thereupon the Contractor shall cease to continue said work or such part thereof as RCHC may designate, and RCHC shall have the power to employ such persons as it may consider desirable, and to obtain by contract, purchase, hire or otherwise, such implements, tools, material or materials as RCHC may deem advisable to work at and be used to complete the work herein described, or such part thereof as shall have not been completed, and to use such material as it may find upon the site of the work, and to charge the expense of such labor and material, implements and tools to the Contractor, and the expense so charged shall be deducted and paid by RCHC out of such monies as may either be due, or may at any time thereafter become due to the Contractor under the Contract.

21.2 TERMINATION

21.2.1 TERMINATION FOR BREACH

If the Contractor should be adjudged bankrupt or if he should make a general assignment for the benefit of his creditors, or if a receiver should be appointed on account of his insolvency, or if he or any of his subcontractors should violate any of the provisions of the Contract, RCHC may serve written notice upon him and his surety of its intention to terminate Contractor's performance hereunder, said notice shall contain the reasons for such intention to terminate Contractor's performance, and, unless within ten (10) calendar days after serving of said notice, such violation shall cease and satisfactory arrangements for correction thereof be made, Contractor's performance shall, upon the expiration of said ten (10) calendar days, cease and terminate. In the event of any such termination, RCHC shall immediately serve written notice thereof upon the surety and the Contractor, and RCHC may take over the Contractor's work and prosecute the same to completion by contract or by any other method it may deem advisable, for the account and at the expense of the Contractor, and the Contractor and his surety shall be liable to RCHC for any excess cost occasioned RCHC thereby, and in such event RCHC may without liability for so doing take possession of and utilize in completing the work, such materials, appliances, plants, and other property belonging to the Contractor as may be on the site of the work and necessary therefore.

21.2.2 TERMINATION FOR CONVENIENCE

- a. If the construction of the project herein is damaged, which damage is determined to have been proximately caused by an Act of God, in excess of 5% of the contract amount, provided that the work damaged is built in accordance with applicable building standards and the plans and specifications, then RCHC may, without prejudice to any other right or remedy, terminate the Contract.
- b. RCHC may terminate performance of work under this Contract in whole or in part, if RCHC determines that a termination is in RCHC's interest. RCHC shall terminate by delivering to the Contractor a Notice to Terminate specifying the extent of termination and the effective date.
- c. After receipt of such Notice, and except as directed by RCHC, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this clause:

- (1) Stop work as specified in the notice.
 - (2) Place no further subcontracts or orders (referred to as subcontracts in this clause) for materials, services, or facilities, except as necessary to complete any continued portion of the Contract.
 - (3) To terminate all subcontracts to the extent they relate to the work terminated.
 - (4) With approval or ratification to the extent required by RCHC, settle all outstanding liabilities and termination settlement proposals arising from termination of subcontracts; the approval or ratification will be final for purposes of this clause.
 - (5) As directed by RCHC, transfer title and deliver to RCHC (1) the fabricated or unfabricated parts; work in progress, completed work, supplies, and other material produced or acquired for the work terminated; and (2) the completed or partially completed plans, drawings, information, and other property that, if the contract had been completed, would be required to be furnished to RCHC.
 - (6) Complete performance of work not terminated.
 - (7) Take any action that may be necessary, or that RCHC may direct, for the protection and preservation of the property related to this contract that is in the possession of the Contractor and in which RCHC has or may acquire an interest.
 - (8) Use its best efforts to sell, as directed or authorized by RCHC, any property of the types referred to in subparagraphs above; provided, however, that the Contractor (1) is not required to extend credit to any purchaser and (2) may acquire the property under the conditions prescribed by, and at prices approved by RCHC. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by RCHC under this contract, credited to the price or cost of the work, or paid in any other manner directed by RCHC.
- d. After termination, the Contractor shall submit a final termination settlement proposal to RCHC in the form and with the certification prescribed by RCHC. The Contractor shall submit the proposal promptly, but no later than thirty (30) days from the effective date of termination. If the Contractor fails to submit the proposal within the time allowed, RCHC may determine, on the basis of information available, the amount, if any, due the Contractor because of the termination and shall pay the amount determined.
- e. Subject to subparagraph (2) above, the Contractor and RCHC may agree upon the whole or any part of the amount to be paid because of the termination. The amount may include a reasonable allowance for profit on work done. However, the agreed amount, may not exceed the total contract price as reduced by:
- (1) the amount of payments previously made and;
 - (2) the contract price of work not terminated. The contract shall be amended with a Change Order, and the Contractor paid the agreed amount.

- f. If the Contractor and RCHC fail to agree on the whole amount to be paid the Contractor because of the termination of work, RCHC shall pay the Contractor the amounts determined as follows:
- (1) For contract work performed before the effective date of termination, the total (without duplication of any terms) of:
 - (i) The cost of this work;
 - (ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subdivision (i) above; and
 - (iii) A sum, as profit on (i) above, determined by RCHC to be fair and reasonable; however, if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, RCHC shall allow no profit under this subdivision (iii).
 - (2) The reasonable costs of settlement of the work terminated including:
 - (i) Accounting, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data; and
 - (ii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.
- g. Except for normal spoilage, RCHC shall exclude from the amounts payable to the Contractor the fair value, as determined by RCHC, of defective work, and of property that is destroyed, lost, stolen, or damaged so as to become undeliverable.
- h. The Contractor shall have the right to make a claim under the DISPUTES article, from any determination made by RCHC.
- i. In arriving at the amount due the Contractor, there shall be deducted:
- (1) All unliquidated advance or other payments to the Contractor under the terminated portion of this Contract;
 - (2) Any claim which RCHC has against the Contractor under this Contract; and
 - (3) The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Contractor or sold under the provisions of this clause and not recovered by or credited to RCHC.
- j. If the termination is partial, the Contractor may file a proposal with RCHC for a Change Order of the price(s) of the continued portion of the Contract. RCHC shall process any Change Order agreed upon. Any proposal by the Contractor for an equitable adjustment under this clause shall be requested within thirty (30) days from the effective date of termination unless extended in writing by RCHC.

- k. RCHC may, under the terms and conditions it prescribes, make partial payments and payments against costs incurred by the Contractor for the terminated portion of the Contract, if RCHC believes the total of these payments will not exceed the amount to which the Contractor will be entitled. If the total payments exceed the amount finally determined to be due, the Contractor shall repay the excess to RCHC upon demand, together with interest.
 - l. Unless otherwise provided in this Contract or by statute, the Contractor will maintain all records and documents relating to the terminated portion of this Contract for 4 years after final settlement. This includes all books and other evidence bearing on the Contractor's costs and expenses under this Contract. The Contractor shall make these records and documents available to RCHC, State and/or the U.S. Government or their representatives at all reasonable times, without any direct charge.

ARTICLE 22 DISPUTES/CLAIMS

22.1 CLAIMS RESOLUTION

In accordance with Public Contract Code Sections 20104 - 20104.6 and other applicable law, public works claims of \$375,000 or less which arise between the Contractor and RCHC shall be resolved under the following the statutory procedure unless RCHC has elected to resolve the dispute pursuant to Public Contract Code Section 10240 et seq.

- a. All claims shall be submitted in writing and accompanied by substantiating documentation. Claims must be filed on or before the date of final payment unless other notice requirements are provided in the contract. "Claim" means a separate demand by the claimant for (1) a time extension, (2) payment of money or damages arising from work done by or on behalf of the claimant and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled, or (3) an amount the payment of which is disputed by RCHC.
- b. Claims Under \$50,000. RCHC shall respond in writing to the claim within 45 days of receipt of the claim, or, RCHC may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses or claims RCHC may have. Of additional information is needed thereafter, it shall be provided upon mutual agreement of RCHC and the claimant. RCHC's written response shall be submitted 15 days after receiving the additional documentation, or within the same period of time taken by the claimant to produce the additional information, whichever is greater.
- c. Claims over \$50,000 but less than or equal to \$375,000. RCHC shall respond in writing within 60 days of receipt, or, may request in writing within 30 days of receipt of the claim, any additional documents supporting the claim or relating to defenses or claims RCHC may have against the claimant. If additional information is needed thereafter, it shall be provided pursuant to mutual agreement between RCHC and the claimant. RCHC's response shall be submitted within 30 days after receipt of the further documents, or within the same period of time taken by the claimant to produce the additional information or documents, whichever is greater. The Contractor shall make these records and documents available to RCHC, State and/or the U.S. Government or their representatives at all reasonable times, without any direct charge.

- d. If the claimant disputes RCHC's response, or if RCHC fails to respond within the statutory time period(s), the claimant may so notify RCHC within 15 days of the receipt of the response or the failure to respond and demand an informal conference to meet and confer for settlement. Upon such demand, RCHC shall schedule a meet and confer conference within 30 days.
- e. If following the meet and confer conference, the claim or any portion thereof remains in dispute, the claimant may file a claim pursuant to Government Code 900 et seq. and Government Code 910 et seq. For purposes of those provisions, the time within which a claim must be filed shall be tolled from the time the claimant submits the written claim until the time the claim is denied, including any time utilized for the meet and confer conference.
- f. If a civil action is filed to resolve any claim, the provisions of Public Contract Code 20104.4 shall be followed, providing for nonbinding mediation and judicial arbitration.

22.2 CLAIM FORMAT/REQUIREMENTS

22.2.1 The Contractor will submit the claim justification in the following format:

- a. Summary of claim merit and price plus clause under which the claim is made.
- b. List of documents relating to claim
 - (a) Specifications
 - (b) Drawings
 - (c) Clarifications (RFI's)
 - (d) Schedules
 - (e) Other
- c. Chronology of events and correspondence
- d. Analysis of claim merit
- e. Analysis of claim cost
- f. Analysis of Time in CPM format
- g. Cover letter and certification (form included herein)

22.2.2 If any claim submitted includes a request for overhead, RCHC may request a Profit & Loss statement and supporting documentation from Contractor. If requested, such documentation must be submitted for RCHC to consider the claim.

22.2.3 Submission of a claim, properly certified, with all required supporting documentation, and written rejection or denial of all or part of the claim by RCHC, is a condition precedent to any action, proceeding, litigation, suit, general conditions claim, or demand for arbitration by Contractor.

22.3 NOTICE OF THIRD-PARTY CLAIMS

RCHC shall provide notification to the Contractor within a reasonable time after receipt of any third-party claim relating to the Construction Contract.