



**Agenda Item B.6**  
**CONSENT CALENDAR**  
**Meeting Date: July 17, 2018**

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**TO:** Mayor and Councilmembers

**FROM:** Charles W. Ebeling, Public Works Director

**CONTACT:** Bob Morgenstern, Public Works Manager

**SUBJECT:** Award of Annual Service Contract with Granite Construction Company for Street Maintenance Services for FY 2018-19 to FY 20-2021

**RECOMMENDATION:**

Authorize the City Manager to execute an agreement with Granite Construction, Inc. for FY 2018-19 to FY 2020-21 for on-call Annual Street Maintenance Services in an amount not-to-exceed \$150,000 annually (\$450,000 over 3 fiscal years), subject to the approval of each fiscal year's budget, with a termination date of June 30, 2021.

**BACKGROUND:**

The City of Goleta provides street maintenance services that are performed by both City staff and private construction contracting companies. Contracting with private construction companies enables the City to vary the level of services on an as-needed basis. This helps reduce City personnel and equipment costs. To retain a construction contracting company, the City periodically solicits competitive bids. The Annual Street Maintenance Services contract is for a 3-year term with a not-to-exceed cost for each year of the contract.

The last Annual Street Maintenance Services contract ended on January 31, 2018 when the construction contractor, Berry General Engineering Contractors, Inc., ceased its business operations. Since that time, Public Works maintenance staff have been undertaking some additional street maintenance tasks but a new service contract is necessary for larger routine and emergency maintenance of the City's streets.

To obtain a construction contractor that will provide street maintenance services, the Department of Public Works solicited bids on April 26, 2018. To solicit bids, Public Works staff developed a fictitious bid package of roadway construction plans, specifications and an engineer's item list. The purpose of creating a fictitious bid package was to establish a method of determining a low bidder. The bids also serve as the unit cost for items in the actual contract for the Annual Street Maintenance Services.

**DISCUSSION:**

The Department of Public Works solicited construction contractor bids for the Annual Street Maintenance Services contract. To determine a low bidder, construction contractors were asked to bid on eight fictitious scenarios included in a bid package of roadway plans, specifications and an engineer's item lists. The eight scenarios were based on common tasks typically performed by the street maintenance contractor. Those tasks, provided for in the final contract, are listed below:

- Skin Patching and Crack Sealing
- Crack Sealing
- Pavement and Pothole Repair
- Fog Seal/Slurry Seal
- Grinding (asphalt and concrete)
- Curb, Gutter and Sidewalk Installation
- Ditch Clearing and Grubbing
- Traffic Control Sign Replacement
- Roadway Debris Removal
- Grind and Asphalt Inlay
- Catch Basin Cleaning
- Grading and Slope Repairs
- Additional Work as Directed

The scenarios included a small asphalt patch, concrete structure removal and replacement, cleaning of catch basins, asphalt skin patching and replacement of concrete accessible ramps. All scenarios include mobilization and traffic control plus slot paving where required. Public Works staff posted the bid sets on e-bid board, advertised, posted to the City's web site and e-mailed to several local construction companies. Granite Construction, Inc. (Granite) was the sole respondent:

<b>Construction Contractor Bid Results</b>	
<b>BIDDER'S NAME</b>	<b>TOTAL BID</b>
Granite Construction Company	\$264,368.00

Granite Construction, Inc. bid \$264,368 on the fictitious bid package. Again, the actual contract will be for up to \$150,000 per year for 3 years and the construction contractor will use labor rates and equipment rates from the fictitious bid package for the actual work as provided in Attachment 2 - Exhibit A – Schedule of Fees. For example, Granite Construction, Inc. used a labor rate of \$112.00 per hour for a general laborer for the fictitious bid. Once under contract, Granite Construction, Inc. will use the same general laborer rate of \$112.00 per hour for work included in the Annual Street Maintenance Services contract.

Since Granite Construction, Inc. was the sole bidder, the Department of Public Works checked the competitiveness of Granites' bid by comparing it to the previous Annual Street Maintenance Services contract with Berry General Engineering Contractors, Inc. It was necessary to adjust the rates from the previous contract to reflect the rise in construction costs since 2014. A table showing the difference between the previous contracts with Berry General Engineering Contractors, Inc. inflated 2014 rates and Granite Construction, Inc.'s current bid is included in Attachment 1 of this report.

The comparison of Granite Construction, Inc. proposed labor and equipment rates with the previous contract show an average difference of approximately 4%. The Department

of Public Works believes that this relatively modest increase in rates is reasonable and is within an expected range of bids had multiple companies' submitted bids.

Public Works recommends award of the Annual Street Maintenance Services contract to Granite Construction, Inc. They have provided quality general engineering construction and maintenance services throughout the area for many years, including in the City of Goleta. Granite has a positive record of accomplishment with local municipalities and the Department's experience with them has been positive. Based on their qualifications and their past performance, the Department of Public Works recommends that Granite Construction, Inc. be awarded the contract. A copy of the proposed agreement is included as Attachment 2.

The notice inviting sealed bids specified a scope of work for informational purposes, which was limited to those services, and are typically required every year. Unanticipated additional services identified during the course of the year will be compensated based on the proposed Equipment and Labor rates. These are included in Exhibit A of the contract as the basis for payment for all work performed.

#### **FISCAL IMPACTS:**

There is sufficient available budget for the recommended contract not to exceed annual amount of \$150,000 for a total of \$450,000 over three fiscal years. The proposed FY 2018-19 Budget includes \$50,000 from General Fund and \$100,000 from Measure A Fund for the annual street maintenance services as shown in the following table:

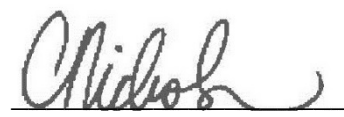
<b>Proposed FY 2018-19 Budget for Street Maintenance Services</b>		
<b>Fund</b>	<b>Account</b>	<b>Amount</b>
Measure A	205-5-5800-400	\$ 100,000
General Fund	101-5-5800-400	\$ 50,000
<b>TOTAL</b>		<b>\$150,000</b>

Annual funding of \$150,000 for FY 2019-20 and 2020-21 will be programmed accordingly and is subject to future approval of those budgets fiscal years.

#### **ALTERNATIVES:**

The City Council may elect not to award this contract and direct Public Works Department to seek bids from additional qualified firms. However, doing so could delay the ongoing maintenance of the City's streets by two or more months.

**Reviewed By:**



Carmen Nichols  
Deputy City Manager

**Legal Review By:**



Michael Jenkins  
City Attorney

**Approved By:**



Michelle Greene  
City Manager

**ATTACHMENTS:**

1. Labor & Equipment Rental Rates
2. Annual Street Maintenance Services Agreement with Granite Construction Company for FY2019 through FY2021

## **ATTACHMENT 1**

### Labor and Equipment Rental Rates



## ATTACHMENT 1

### LABOR AND EQUIPMENT RENTAL RATES

Without having competitive bids to compare, Public Works Department created a table of Labor and Equipment rental rates from Granite's bid against the rates from the previous contract of 2014-2015. To provide a comparison, a column shows the 2014 rates inflated to 2018. To inflate the costs, the table demonstrates the Bureau of Labor Statistics cumulative regional CPI of 8.2%. The difference, in percentages, between Granite's rates and that of Berry's escalated rates are shown in the far right column of the table.

The comparison is as follows:

Labor Rates				
Item	Granite, June 2018	Berry, June 2014	Berry 2014 w/8.18% adjust.	Difference of Granite to Berry
Laborer	\$112.00	\$79.00	\$85.48	131%
Laborer-Saw Man	\$112.00	\$79.00	\$85.48	131%
Carpenter	\$121.00	n/a	n/a	
Cement Mason	\$114.00	\$82.00	\$88.72	129%
Operator	\$140.00	\$100.00	\$108.20	129%
Truck Driver/Water Truck	\$109.00	\$131.00	\$141.74	-23%
Foreman - Carpenter	\$149.00	\$137.00	\$148.23	-0.50%
Foreman - Concrete	\$142.00	\$137.00	\$148.23	-4%
Foreman - Paving	\$166.00	\$139.00	\$150.40	110%
Superintendent	\$166.00	\$139.00	\$150.40	110%
Equipment Rental Rates				
Motorgrader	\$101.00	\$114.00	\$123.35	122%
Scraper - Med Duty	\$126.00	\$103.00	\$111.45	113%
Scraper - Heavy Duty	\$205.00	\$103.00	\$111.45	-84%
Excavator	\$112.00	\$136.00	\$147.15	-24%
Front End Loader	\$89.00	\$127.00	\$137.41	-35%
Roller 1-3 ton	\$51.00	\$85.00	\$91.97	-45%
Roller 7-9 ton	\$90.00	\$107.00	\$115.77	-22%
Paver	\$253.00	\$172.00	\$186.10	136%
Water Truck - 2000 gal	\$62.00	\$70.00	\$75.74	-18%
Superduty Pickup	\$53.00	\$40.00	\$43.28	122%
1 Ton Flatbed	\$43.00	\$49.00	\$53.01	-19%





## **ATTACHMENT 2**

Annual Street Maintenance Services Agreement with Granite Construction Company  
for FY 2019 - 2021



**AN AGREEMENT FOR GENERAL SERVICES  
BETWEEN THE CITY OF GOLETA  
AND  
GRANITE CONSTRUCTION COMPANY**

THIS GENERAL SERVICES AGREEMENT ("Agreement"), made and entered into this 17<sup>th</sup> day of **July, 2018**, by and between the **CITY OF GOLETA**, a municipal corporation (hereinafter referred to as "City"), and **GRANITE CONSTRUCTION COMPANY**, a corporation (hereinafter referred to as "Service Provider").

**WHEREAS**, this Service Provider will be providing annual street maintenance services; and

**WHEREAS**, Service Provider represents that they are sufficiently experienced and capable of providing the services agreed to herein and are sufficiently familiar with the needs of the City; and

**WHEREAS**, Service Provider was recommended for award based on response to request for sealed bids; and

**WHEREAS**, Service Provider was selected for award of this Agreement by City Council; and

**WHEREAS**, the City Council, on this 17<sup>th</sup> day of July, 2018, approved this Agreement and authorized the City Manager to execute this Agreement.

The City and Service Provider agree as follows:

**1. RETENTION OF SERVICE PROVIDER**

City hereby retains Service Provider, and Service Provider hereby accepts such engagement, to perform on-call street maintenance and repair services at various City facilities as requested, per bid response. Service Provider warrants it has the qualifications, experience, State license and facilities to properly and timely perform said services.

**2. COMPENSATION AND PAYMENT**

(a) **Maximum and Rate**. The total compensation earned by or payable to the Service Provider, by the City, for any and all services under this Agreement are estimated to be **\$150,000 annually** for a term of 3 years, and **SHALL NOT EXCEED** the sum of **\$450,000** over the life of the contract, and shall be earned on the following basis:

Hourly at the hourly rates and with reimbursement to the Service Provider for those expenses set forth in Service Provider's Schedule of Fees marked **Exhibit "A,"** attached and incorporated herein.

(b) **Payment.** All payments shall be made within 30 days after the Service Provider has provided the City with written verification of the actual compensation earned, which written verification shall be in a form satisfactory to the City's Project Manager.

### **3. CITY PROJECT MANAGER AND SERVICES BY CITY**

The services to be performed by the Service Provider shall be accomplished under the general direction of, and coordinated with, the City's "Project Manager", as that staff person is designated by the City from time to time, and who presently is **Robert Morgenstern**

### **4. PROGRESS AND COMPLETION**

Project Manager shall assign, in writing, Service Provider with discrete small projects, which shall in no event exceed \$30,000 per project. Service Provider shall commence work on the services to be performed on each project as requested and authorized by the Project Manager.

For each discrete job requested by the Project Manager, Service Provider must respond to provide at least an initial assessment of the project. Service Provider will provide an estimate to the Project Manager and only start work upon written authorization from the Project Manager.

### **5. CONTRACT PERFORMANCE**

**Non-Exclusivity.** This agreement is non-exclusive. City reserves the right to retain, employ, contract with other qualified providers of services during the term of this agreement on such occasions and in such circumstances as City shall determine are appropriate.

**Ability to Perform.** The Service Provider warrants that it possesses, or has arranged through subcontracts, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all federal, state, county, city, and special district laws, ordinances, and regulations.

**Laws to be Observed.** The Service Provider shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of Goleta ordinances, regulations and adopted codes during its performance of the work.

**Payment of Taxes.** The contract prices shall include full compensation for all taxes which the Service Provider is required to pay.

**Permits and Licenses.** The Service Provider shall procure all permits and licenses, pay all charges and fees, and give all notices necessary.

**Prevailing Wage.** The Service Provider is obligated to pay prevailing wages under the California Labor Code. Service Provider agrees to indemnify, defend and hold City harmless from any claim that prevailing wages should have been paid, and shall be liable for the payment of the same and any penalties thereon. It is the responsibility of the Service Provider to be familiar with the California Labor Code, and failure or neglect of the Service Provider to understand the California Labor Code shall in no way relieve him from any obligations.

**Safety Provisions.** The Service Provider shall conform to the rules and regulations pertaining to safety established by OSHA and the California Division of Industrial Safety.

**Preservation of City Property.** The Service Provider shall provide and install suitable safeguards, approved by City, to protect City property from injury or damage. If City property is injured or damaged as a result of the Service Provider's operations, it shall be replaced or restored at the Service Provider's expense. The facilities shall be replaced or restored to a condition as good as when the Service Provider began work.

**Immigration Act of 1986.** The Service Provider warrants on behalf of itself and all subcontractor Providers engaged for the performance of this work that only persons authorized to work in the United States pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.

**Service Provider Non-Discrimination.** In the performance of this work, the Service Provider agrees that it will not engage in, nor permit such subcontractor as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.

**Work Delays.** Should the Service Provider be obstructed or delayed in the work required to be done hereunder by changes in the work or by any default, act, or omission of City, or by strikes, fire, earthquake, or any other Act of God, or by the inability to obtain materials, equipment, or labor due to federal government restrictions arising out of defense or war programs, then the time of completion may, at City's sole option, be extended for such periods as may be agreed upon by City and the Service Provider. In the event that there is insufficient time to grant such extensions prior to the completion date of the contract, City may, at the time of acceptance of the work, waive liquidated damages which may have accrued for failure to complete on time, due to any of the above, after hearing evidence as to the reasons for such delay, and making a finding as to the causes of same.

**Inspection.** The Service Provider shall furnish City with every reasonable opportunity for City to ascertain that the services of the Service Provider are being performed in accordance with the requirements and intentions of this contract. All work done and all materials furnished, if any, shall be subject to City's inspection and approval. The inspection of such work shall not relieve Service Provider of any of its obligations to fulfill its contract requirements.

**Audit.** City shall have the option of inspecting and/or auditing all records and other written materials used by Service Provider in preparing its invoices to City as a condition precedent to any payment to Service Provider.

**Interests of Service Provider.** The Service Provider covenants that it presently has no interest, and shall not acquire any interest, direct or indirect or otherwise, which would conflict in any manner or degree with the performance of the work hereunder. The Service Provider further covenants that, in the performance of this work, no subcontractor or person having such an interest shall be employed. The Service Provider certifies that no one who has or will have any financial interest in performing this work is an officer or employee of City. It is hereby expressly agreed that, in the performance of the work hereunder, the Service Provider shall at all times be deemed an independent Service Provider and not an agent or employee of City.

## **6. TERM**

This agreement shall expire on **June 30, 2021**. The City may elect to extend the term of the agreement for a maximum number of two (2) one-year (1) year terms by written notification by the City's Project Manager to the Service Provider within 60 days prior to the expiration date of the agreement.

## **7. OWNERSHIP OF DOCUMENTS**

All drawings, designs, data, photographs, reports and other documentation (other than Service Provider's drafts, notes and internal memorandum), including duplication of same prepared by Service Provider in the performance of these services, shall become the property of the City upon termination of the consulting services pursuant to this Agreement and upon payment in full of all compensation then due Service Provider. If requested by the City, all, or the designated portions of such, shall be delivered to the City. The City agrees to hold the Service Provider harmless from all damages, claims, expenses and losses arising out of any reuse of the plans and specifications for purposes other than those described in this Agreement, unless written authorization of the Service Provider is first obtained.

## **8. PERSONAL SERVICES/NO ASSIGNMENT/SUBSERVICE PROVIDER**

This Agreement is for general services which are personal to City. (Service Provider representative) is deemed to be specially experienced and is a key lead for services provided, and shall be directly involved in performing, supervising or assisting in the performance of this work. This key person shall communicate with, and periodically report to, City on the progress of the work. Should any such individual be removed from assisting in this contracted work for any reason, City may terminate this Agreement. Service Provider must ensure that subcontractors must adhere to all applicable provisions of this Agreement relating to providing services to City. The following portions of the work will be subcontracted out to other parties by Service Provider:

- N/A

This Agreement is not assignable by Service Provider without City's prior consent in writing.

## **9. HOLD HARMLESS AND INDEMNITY**

**(a) Hold Harmless for Service Provider's Damages.** The Service Provider holds the City, its elected officials, officers and employees, harmless from all of Service Provider's claims, demands, lawsuits, judgments, damages, losses, injuries or liability to the Service Provider, to the Service Provider's employees, to Service Provider's Service Providers or subcontractor, or to the owners of the Service Provider's firm, which damages, losses, injuries or liability occur during the work or services required under this Agreement, or occur while Service Provider is in a City building or on City property, or which are connected, directly or indirectly, with the Service Provider's performance of any activity or work required under this Agreement.

**(b) Defense and Indemnity of Third Party Claims/Liability.** Service Provider shall investigate, defend, and indemnify the City, its elected officials, officers and employees, from any claims, lawsuits, demands, judgments and all liability including, but not limited to, monetary or property damage, lost profit, personal injury, wrongful death, general liability, automobile, infringement of copyright/patent/trademark, professional errors and omissions arising out of, directly or indirectly, an error, a negligent act or negligent omission of the Service Provider or of Service Provider's subcontractor, or the willful misconduct of the Service Provider or Service Provider's Service Providers/subcontractor, in performing the services described in, or normally associated with, this type of contracted work. The duty to defend shall include any suits or actions in law or equity concerning any activity, product or work required under this Agreement, and also include the payment of all court costs, attorney fees, expert witness costs, investigation costs, claims adjusting costs and any other costs required for and related to such litigation.

**(c) Nonwaiver.** The City does not waive, nor shall be deemed to have waived, any indemnity, defense or hold harmless rights under this section because of the acceptance by the City, or the deposit with the City, of any insurance certificates or policies described in section 10.

## **10. INSURANCE**

Service Provider shall, at Service Provider's sole cost and expense, provide insurance as described herein. All insurance is to be placed with insurers authorized to do business in the State of California with an A.M. Best and Company rating of A- or better, Class VII or better, or as otherwise approved by CITY.

Insurance shall include the following (or broader) coverage:

- a) Insurance Services Office Commercial Liability coverage "occurrence" form CG 00 01 or its exact equivalent with an edition date prior to 2004 and with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
- b) Insurance Services Office form number CA 00 01 or equivalent covering Automobile Liability, including hired and non-owned automobile liability with a minimum limit of \$1,000,000 per accident. If the Service Provider owns no vehicles, this requirement may be satisfied by a non-owned and hired auto endorsement to Service Provider's commercial general liability policy.
- c) Workers' Compensation insurance complying with California worker's compensation laws, including statutory limits for workers' compensation and an Employer's Liability limit of \$1,000,000 per accident or disease.
- d) Professional liability insurance that covers the services to be performed in connection with this agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate.

Liability insurance policies required to be provided by Service Provider hereunder shall contain or be endorsed to contain the following provisions:

- a) CITY, its employees, officials, agents and member agencies shall be covered as additional insureds. Coverage shall apply to any and all liability arising out of the work performed or related to the contract. Additional insured status under the general liability requirement shall be provided on Insurance Services Office Form CG 20 10, with an edition date prior to 2004, or its equivalent. Additional insured status for completed operations shall be provided either in the additional insured form or through another endorsement such as CG 20 37, or its equivalent.



- b) General and automobile liability insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage will not be limited to CITY's vicarious liability.
- c) Professional liability insurance policies inception date, continuity date, or retroactive date must be before the effective date of this agreement. Service Provider agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.
- d) Liability coverage shall be primary and non-contributing with any insurance maintained by CITY.
- e) Evidence of coverage (including the workers' compensation and employer's liability policies) shall provide that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after 30 days' prior written notice has been given to CITY. Such provision shall not include any limitation of liability of the insurer for failure to provide such notice.
- f) No liability insurance coverage provided to comply with this AGREEMENT shall prohibit Service Provider, or Service Provider's employees, or agents, from waiving the right of recovery prior to a loss. Service Provider waives its right of recovery against CITY.
- g) Service Provider agrees to deposit with CITY within fifteen days of Notice to Proceed of the Contract certificates of insurance and required endorsements.
- h) There shall be no recourse against CITY for payment of premiums or other amounts with respect to the insurance required to be provided by Service Provider hereunder. Any failure, actual or alleged, on the part of CITY to monitor compliance with these requirements will not be deemed as a waiver of any rights on the part of CITY. CITY has no additional obligations by virtue of requiring the insurance set forth herein. In the event any policy of insurance required under this AGREEMENT does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by Service Provider or CITY will withhold amounts sufficient to pay premium from Service Provider payments.
- i) Service Provider agrees to provide immediate notice to CITY of any claim or loss against Service Provider arising out of the work performed under this AGREEMENT. CITY assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims

if they are likely to involve CITY.

**11. RELATION OF THE PARTIES**

The relationship of the parties to this Agreement shall be that of independent contractor and that in no event shall Service Provider be considered an officer, agent, servant or employee of City. The Service Provider shall be solely responsible for any workers compensation insurance, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work.

**12. TERMINATION BY CITY**

The City, by notifying Service Provider in writing, may upon five (5) calendar days notice, terminate any portion or all of the services agreed to be performed under this Agreement. In the event of such termination, Service Provider shall have the right and obligation to immediately assemble work in progress for the purpose of closing out the job. All compensation for actual work performed and charges outstanding at the time of termination shall be payable by City to Service Provider within 30 days following submission of a final statement by Service Provider.

**13. CORRECTIONS**

The Service Provider shall correct, at its expense, all errors in the work which may be disclosed during the City's review of the Service Provider's work. Should Service Provider fail to make such correction in a reasonably timely manner, such correction shall be made by the City, and the cost thereof shall be charged to Service Provider.

**14. ACCEPTANCE OF FINAL PAYMENT CONSTITUTES RELEASE**

The acceptance by Service Provider of the final payment made under this Agreement shall operate as and be a release of the City from all claims and liabilities for compensation to Service Provider for anything done, furnished or relating to Service Provider's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within five (5) calendar days of the receipt of that check, whichever occurs first. However, any approval or payment by the City shall not constitute, nor be deemed, a release of the responsibility and liability of Service Provider, its employees, subcontractors, agents and Service Providers for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by the City for any defect or error in the work prepared by Service Provider, its employees, subcontractor, agents and Service Providers.

**15. WAIVER; REMEDIES CUMULATIVE**

Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, irrespective of the length of time for which such failure continues, shall not constitute a waiver of such party's right to demand strict compliance by such other party in the future. No waiver by a party of a default or breach of the other party shall be effective or binding upon such party unless made in writing by such party, and no such waiver shall be implied from any omissions by a party to take any action with respect to such default or breach. No express written waiver of a specified default or breach shall affect any other default or breach, or cover any other period of time, other than any default or breach and/or period of time specified.

**16. CONFLICT OF INTEREST**

Service Provider is unaware of any City employee or official that has a financial interest in Service Provider's business. During the term of this Agreement and/or as a result of being awarded this contract, the Service Provider shall not offer, encourage or accept any financial interest in Service Provider's business by any City employee or official. If a portion of Service Provider's services called for under this Agreement shall ultimately be paid for by reimbursement from and through an agreement with a developer of any land within the City or with a City franchisee, the Service Provider warrants that it has not performed any work for such developer/franchisee within the last 12 months, and shall not negotiate, offer or accept any contract or request to perform services for that identified developer/franchisee during the term of this Agreement.

**17. GOVERNING LAW; CAPTIONS; ENTIRE AGREEMENT BETWEEN PARTIES**

This Agreement, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of California. The provisions of this Agreement shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa. The captions or headings in this Agreement are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the Agreement. Except for Service Provider's proposals and submitted representations for obtaining this Agreement, this Agreement supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering or services, and contains all of the covenants and agreements between the parties with respect to said services. Any modifications of this Agreement will be effective only if it is in writing and signed by the party to be charged.

**18. NOTICES**

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY:

Michelle Greene, City Manager  
City of Goleta  
130 Cremona Drive, Suite B  
Goleta, CA 93117

TO SERVICE PROVIDER:

Brian Larinan, Chief Estimator  
Granite Construction Company  
5335 Debbie Lane  
Santa Barbara, CA 93111

In concurrence and witness whereof, this Agreement has been executed by the parties effective on the date and year first above written.

**CITY OF GOLETA**

**SERVICE PROVIDER**

\_\_\_\_\_  
Michelle Greene, City Manager

  
\_\_\_\_\_  
Brian Larinan, Chief Estimator\*

**ATTEST:**

\_\_\_\_\_  
Deborah Lopez, City Clerk

  
\_\_\_\_\_  
Robert Gregg, Construction Manager\*

**APPROVED AS TO FORM**

\*Please see attached Exhibit  
regarding Authorized Signers.

  
\_\_\_\_\_  
Winnie Cai, Deputy City Attorney

GRANITE CONSTRUCTION COMPANY

CERTIFICATE OF SECRETARY

**RESOLVED**, that, effective January 1, 2018 through December 31, 2018, the individuals named on the attached Exhibit 1 are authorized to negotiate, execute and/or attest electronic and paper documents and contracts necessary for the conduct of the Company's affairs with respect to the submission and execution of construction project bids, bid proposals, bid addenda and all other bid-related documents prepared and submitted on behalf of the Company not to exceed \$25 million, relating to any and all domestic construction projects arising out of the Company's operations.

**RESOLVED**, that, effective January 1, 2018 through December 31, 2018, the individuals named on the attached Exhibit 2 are authorized to negotiate, execute and attest electronic and paper documents and contracts necessary for the conduct of the Company's affairs with respect to the submission and execution of construction project bids, bid proposals, bid addenda and all other bid-related documents prepared and submitted on behalf of the Company not to exceed \$75 million, relating to any and all domestic construction projects arising out of the Company's operations.

**RESOLVED FURTHER**, that the authority provided for herein shall be in accordance with applicable policies, procedures and limits of authority previously approved and the Granite Construction Incorporated Delegation of Authority and Policy then in effect.

I, Richard A. Watts, do hereby certify that I am duly qualified as Secretary of GRANITE CONSTRUCTION COMPANY, a California corporation (the "Company"); that the foregoing is a true and correct copy of resolutions duly adopted effective January 1, 2018 by unanimous written consent of the Executive Committee of the Board of Directors, held without a meeting in accordance with the provisions of Article III, Section 9 of the Bylaws of the Company; that the Directors acting were duly and regularly elected; and that the resolution adopted has not been modified or repealed and is still in full force and effect.

Dated: March 13, 2018



Richard A. Watts



## **EXHIBIT 1**

### **AUTHORIZED SIGNERS**

**Granite Construction Company  
California Group  
Central California Region**

### **AUTHORIZED SIGNERS**

Brent Fogg, VP Central Region  
Robert Gregg, Construction Manager  
Sam Horn, Regional Controller  
Brian Larinan, Chief Estimator  
Thomas James, Chief Estimator  
John Van Lenten, Project Manager  
Darryl R. Ebel, Construction Manager  
Larry Camilleri, Area Manager

### **ATTESTORS**

Robert Gregg, Construction Manager  
Sam Horn, Regional Controller  
Brian Larinan, Chief Estimator  
Dianne Carlisle, Estimating Assistant  
Sarah R. Pearse, Estimating Assistant  
Shelly D. Beutel, Custom Jobs Administrator  
Susan Corkill, Senior Administrative Assistant

## **EXHIBIT 2**

### **AUTHORIZED SIGNERS**

**Granite Construction Company  
California Group**

### **AUTHORIZED SIGNERS**

Jim Radich, VP Coastal Region  
Michael Tatusko, VP Valley Region  
Brent Fogg, VP Central Region  
Richard Scott McArthur, VP Northern Los Angeles Region  
David A. Donnelly, VP South Coast Region  
Brad J. Williams, VP Desert Cities Region

## **EXHIBIT A**

### **SCHEDULE OF FEES**



**APPENDIX A**  
**ANNUAL STREET MAINTENANCE SERVICES – Submittal Requirements**

City of Goleta: LABOR RATE SHEET 2018 - 2021			CONTRACTOR: GRANITE CONSTRUCTION COMPANY	
Item #	Activity	Unit	Straight Time Rate	Overtime Rate
1	Laborer	HR	\$ 112 <sup>00</sup>	\$ 139 <sup>00</sup>
2	Laborer – Saw man	HR	\$ 112 <sup>00</sup>	\$ 139 <sup>00</sup>
3	Carpenter	HR	\$ 121	\$ 152
4	Cement Mason	HR	\$ 114	\$ 139
5	Operator	HR	\$ 140	\$ 174
6	Truck Driver/Water Truck	HR	\$ 109	\$ 132
7	Foreman - Carpenter	HR	\$ 149	\$ 182
8	Foreman - Concrete	HR	\$ 142	\$ 169
9	Foreman – Grading/Paving/Utility	HR	\$ 166	\$ 201
10	Superintendent	HR	\$ 166	\$ 201

Basis of the bid is the qualifications, experience and cost of the recommended activities and the force account services for extra work combined with the cost estimates for imaginary work shown in **Appendix C**.

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City of Goleta: EQUIPMENT WITH OPERATOR RATE SHEET 2018 - 2021			CONTRACTOR: GRANITE CONSTRUCTION COMPANY		
Item #	Activity MOTORGRADERS (List equipment)	Unit HR	Straight-Time Rate	Overtime Rate	Bare
	CAT 140H/140M	HR	241 <sup>00</sup>	275	101 <sup>00</sup>
	SCRAPERS (List equipment)	HR			
	U13	HR	244 <sup>00</sup>	300 <sup>00</sup>	126 <sup>00</sup>
	U23	HR	345 <sup>00</sup>	379 <sup>00</sup>	205 <sup>00</sup>
	EXCAVATOR (List equipment)	HR			
	CAT 330/336	HR	252 <sup>00</sup>	286	112 <sup>00</sup>
	FRONT END LOADERS (List equipment)	HR			
	CAT 950D	HR	229 <sup>00</sup>	263 <sup>00</sup>	89 <sup>00</sup>

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City of Goleta: EQUIPMENT WITH OPERATOR RATE SHEET 2018 – 2021 (Cont'd)			CONTRACTOR: GRANITE CONSTRUCTION COMPANY		
Item #	Activity ROLLERS (List equipment)	Unit	Straight-Time Rate	Overtime Rate	Bare
	CAT CB224 1-3 <sup>rd</sup>	Hr	191	225	51 <sup>00</sup>
	CAT 7-9 ton	Hr	230	264	90 <sup>00</sup>
	PAVING EQUIPMENT (List equipment)				
	CAT 10' PAVER (NO SCREEN)	Hr	393	427 <sup>00</sup>	253 <sup>00</sup>
	WATER TRUCKS (List equipment)				
	2000 gallon	Hr	174 <sup>00</sup>	201 <sup>00</sup>	62 <sup>00</sup>
	TRUCKS (List equipment)				
	SUPER TRUCK	Hr	165 <sup>00</sup>	192 <sup>00</sup>	53 <sup>00</sup>
	FLATRACK	Hr	155 <sup>00</sup>	182 <sup>00</sup>	43 <sup>00</sup>
Basis of the bid is the qualifications, experience and cost of the recommended activities and the force account services for extra work combined with the cost estimates for imaginary work shown in Appendix C.					

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City of Goleta: SUBCONTRACTOR'S LABOR & EQUIPMENT RATES 2018 - 2021			CONTRACTOR: GRANITE CONSTRUCTION COMPANY		
Item #	Activity	Unit	Straight-Time Rate	Overtime Rate	Bare
1	Laborer	HR	\$ 11.9	\$	
2	Laborer – Saw man	HR	\$	\$	
3	Carpenter	HR	\$	\$	
4	Cement Mason	HR	\$	\$	
5	Operator	HR	\$	\$	
6	Truck Driver/Water Truck	HR	\$	\$	
7	Foreman - Carpenter	HR	\$	\$	
8	Foreman - Concrete	HR	\$	\$	
9	Foreman – Grading/Paving/Utility	HR	\$	\$	
10	Superintendent	HR	\$ 11.9	\$	
	<b>MOTORGRADERS</b> (List equipment)				
	<b>SCRAPERS</b> (List equipment)				

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City of Goleta: SUBCONTRACTOR'S LABOR & EQUIPMENT RATES 2018 - 2021 (Cont'd)			GRANITE CONSTRUCTION COMPANY CONTRACTOR: _____		
Item #	Activity	Unit	Straight-Time Rate	Overtime Rate	Bare
	WATER TRUCKS (List equipment)	n/a	n/a		
	TRUCKS (List equipment)	n/a	n/a		

Basis of the bid is the qualifications, experience and cost of the recommended activities and the force account services for extra work combined with the cost estimates for imaginary work shown in **Appendix C**.

**Proposal is subject to the following:**

A.	Worker and crew hourly rates shall prevail in determining progress payments.	
B.	The City makes no guarantee or assurances as to the number of hours (during any time period) this contract will entail.	
C.	The hourly rates shall include small tools, barricades, cellular phones, pagers, two-way radios, shovels, rakes, brooms and similar equipment sufficient to perform the described work.	
D.	The City shall not incur any labor or equipment charges that occur outside the City.	
E.	The Contractor will supply materials on a "cost plus" basis. As indicated, the mark-up to be applied to the cost of materials is 10% maximum.	