

Contract #

Exhibit E, Attachment

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STANDARD CLAUSES – GENERAL CONDITIONS FOR PUBLIC WORKS AND/OR DRILLING CONTRACTS

1. **DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) REGISTRATION.** Labor Code Section 1725.5 requires a contractor to be registered as a public works contractor to be qualified to bid on, or listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract. For the purposes of this section, “contractor” includes a subcontractor as defined by Labor Code Section 1722.1. DIR registration is a condition of the Contractor’s ability to work under this contract. Should the contractor or any subcontractor fail to maintain DIR registration, this contract may be terminated at the discretion of DWR.
2. **LICENSE.** No bidder may bid on work for which it is not properly licensed by the Contractor’s State License Board. Joint Venture bidders must possess a Joint Venture License. Bidders for this Agreement must have a classification(s) of their contractor’s license. Provide license number and expiration date and certify under penalty of perjury that the foregoing is true and correct.
3. **EXAMINATION OF BID DOCUMENTS AND SITE.** Bidder shall carefully examine site of work, plans and specifications. The bidder shall investigate conditions, character, quality of surface, or subsurface materials or obstacles to be encountered. No additions to the contract amount will be made because of the Contractor’s failure to examine the site of work, plans, and specifications.
4. **SUBCONTRACTORS.** (See Public Contract Code Section 4104.) The bidder shall set forth in its bid:
 - a. The name and business address of each subcontractor who will perform work or labor or render services in an amount in excess of one-half of one percent (.5%) of the General Contractor’s total bid; and
 - b. The portion of work to be done by each subcontractor. (See Public Contractor Code Section 4104.)
5. **PAYMENT AND/OR PERFORMANCE BOND.** The Contractor shall furnish, concurrently with signing the contract, a Payment Bond to Accompany Construction Contract, DWR Form 3373, in an amount not less than 100% of the amount of the contract when the contract exceeds \$5,000 (for non-construction drilling contracts, when the contract exceeds \$25,000). Such bond shall be executed by the Contractor and a corporate surety approved by the State. If the Department deems it necessary, a Performance Bond may be required in the same amount as the Payment Bond.
6. **NOTICE.** Failure to obtain a Payment Bond within ten (10) days of notification of award shall cause the State to reject the bid.
7. **WORKERS’ COMPENSATION INSURANCE CERTIFICATION.** Upon execution of the contract, the Contractor shall provide the State either with a certificate of insurance issued by an insurance carrier licensed to write workers’ compensation insurance in the State of California, including the name of the carrier and date of expiration of the insurance, or a certificate of consent to self-insure issued by the Director of the Department of Industrial Relations.
8. **PREVAILING WAGE.** It is hereby mutually agreed that, pursuant to Labor Code Section 1775 (a) (1), the Contractor shall forfeit to the State a penalty of \$200 for each calendar day, or portion thereof, for each worker paid by it, or subcontractor under it, less than the prevailing wage so stipulated. In addition, the Contractor further agrees to pay to each worker the difference between the actual amount paid for each calendar day, or portion thereof, and the stipulated prevailing wage rate for the same. This provision shall not apply to properly registered apprentices.
9. **MAXIMUM HOURS.** It is further agreed that the maximum hours a worker is to be employed is limited to 8 hours a day and 40 hours a week and the Contractor shall forfeit, as a penalty to the State, \$25 for each worker employed in the execution of the contract for each calendar day during which a worker is required or permitted to labor more than 8 hours in any calendar day or more than 40 hours in any calendar week in violation of Labor Code Sections 1810-1815, inclusive.
10. **TRAVEL AND SUBSISTENCE PAYMENTS.** Travel and subsistence payments shall be paid to each worker needed to execute the work, as such travel and subsistence payments are defined in the applicable collective bargaining agreements filed in accordance with Labor Code Section 1773.8.

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- 11. APPRENTICES.** Properly registered apprentices may be employed in the prosecution of the work. Every such apprentice shall be paid the standard wage paid to apprentices under the regulations of the craft or trade at which he or she is employed, and shall be employed only at the work of the craft or trade to which he or she is registered. The Contractor and each subcontractor must comply with the requirements of Labor Code Section 1777.5 and any related regulations regarding the employment of registered apprentices.
- 12. SUBSTITUTIONS.** Pursuant to Section 3400 of the Public Contract Code, should the Contractor seek to substitute a brand of materials other than specified, the Contractor shall submit data substantiating the request for substitution of "an equal" item. The substantiating data must be presented for approval within thirty-five (35) days after the award of the agreement. The State shall be the sole judge as the comparative quality and suitability of "an equal" item.
- 13. ANTI-TRUST CLAIMS.** The Contractor offers and agrees and will require all of their subcontractors and suppliers to agree to assign to the awarding body all rights, title, and interest in and to all causes of action they may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act [Chapter 2 (commencing with Sec. 165700) 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. The assignment made by the Contractor and all additional assignments made by the subcontractors and suppliers shall be deemed to have been made and will become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment or the necessity of tendering to the awarding body any written assignments.

If an awarding body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under Government Code Sections 4550-4554, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery.

Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under Government Code Section 4550-4554, if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action.

- 14. PROGRESS PAYMENTS.**
- a. Ten percent of any progress payments that may be provided for under this contract shall be withheld pending satisfactory completion of all services under the contract. The Contractor may substitute securities for such retentions and receive any interest accrued provided in Section 22300 of the Public Contract Code.
 - b. Prior to execution of the contract, the Contractor shall furnish a faithful performance bond for not less than the total amount payable under the contract if the contract exceeds \$10,000 and progress payments will be made.
- 15. PAYROLL RECORDS.** The Contractor and each subcontractor shall comply with Labor Code Section 1776 regarding payroll records.
- 16. NONCOLLUSION DECLARATION.** All bidders shall submit with their bids a signed and notarized Noncollusion Declaration (DWR 4206).
- 17. LABOR CODE PROVISIONS.** Pursuant to Sections 1770 et seq. of the California Labor Code, the Director of the State Department of Industrial Relations has made the general prevailing wage determination covering the locality where work for this contract is to be performed. The general prevailing wage rates can be obtained from the Department of Industrial Relations or any source authorized by the Department of Industrial Relations. They are also made available at www.dir.ca.gov/.
- The Contractor agrees to post a copy of the **General Prevailing Wage Determination** for the locality of each job site. The Contractor also agrees to comply with all requirements of the California Labor Code and to pay for the forfeiture penalties and monies, which may become due as provided in Sections 1775 and 1813 of that Code.
- 18. UNDOCUMENTED ALIENS.** No bidder or Contractor shall be eligible to bid for or receive a public works or purchase contract, who has, in the preceding five years, been convicted of violating a State or federal law respecting the employment of undocumented aliens.
- 19. SUBSTITUTION OF SUBCONTRACTORS.** A prime contractor whose bid is accepted may not substitute a subcontractor listed in the original bid unless the provisions of PCC 4107 or 4107.5 apply and a hearing is held, if required.