

**AMENDMENT NUMBER ONE  
TO PROFESSIONAL SERVICES AGREEMENT  
WITH  
SUPERIOR PAVEMENT MARKINGS, INC.**

This Amendment Number One ("Amendment") is made and entered into this 4th day of April, 2019 ("Effective Date"), by and between the CITY OF COSTA MESA, a municipal corporation ("City"), and SUPERIOR PAVEMENT MARKINGS, INC., a California corporation ("Consultant").

WHEREAS, City and Consultant entered into an agreement on April 5, 2016 for Consultant to provide street striping and thermoplastic roadway marking services (the "Agreement"); and

WHEREAS, Section 4.1 of the Agreement provides for a term of three (3) years, with the option to extend the Agreement for two (2) additional one (1) year periods; and

WHEREAS, City and Consultant desire to extend the term for one (1) year, through April 4, 2020.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The term of the Agreement shall be extended through April 4, 2020.
2. All terms not defined herein shall have the same meaning and use as set forth in the Agreement.
3. All other terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by and through their respective authorized officers, as of the date first written above.

CITY OF COSTA MESA

  
\_\_\_\_\_  
Acting City Manager

Date: 4/23/19

CONSULTANT

  
\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

Darren Veltz, CFO  
Name and Title

ATTEST:

Brenda Green 4/24/19  
City Clerk



APPROVED AS TO FORM:

Kimberly Hall Barber  
City Attorney

Date: 4/22/19

APPROVED AS TO INSURANCE:

Rugh  
Risk Management

Date: 4/11/19

APPROVED AS TO CONTENT:

[Signature]  
Project Manager

Date: 4/16/2019

DEPARTMENTAL APPROVAL:

Raja Sethuraman  
Public Services Director

Date: 4-16-19

APPROVED AS TO PURCHASING:

[Signature]  
Finance Director

Date: 4/18/19



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/4/2019

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).

<b>PRODUCER</b> Patriot Risk & Insurance Services 2415 Campus Drive, Suite #200 Irvine, CA 92612  www.patrisk.com                      0K07568	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): (949) 486-7900                      FAX (A/C, No): (949) 486-7950 E-MAIL ADDRESS:														
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Wesco Insurance Company</td> <td>25011</td> </tr> <tr> <td>INSURER B : Great American Insurance Company</td> <td>16691</td> </tr> <tr> <td>INSURER C : Security National Insurance Company</td> <td>19879</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Wesco Insurance Company	25011	INSURER B : Great American Insurance Company	16691	INSURER C : Security National Insurance Company	19879	INSURER D :		INSURER E :		INSURER F :
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INSURER F :															

**COVERAGES**                      **CERTIFICATE NUMBER:** 48001238                      **REVISION NUMBER:**

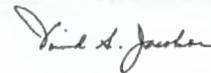
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE 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"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	WPP158316101	9/18/2018	9/18/2019	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" 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 <input type="checkbox"/> AUTOS ONLY			WPP158316101	9/18/2018	9/18/2019	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$			TUE 2191315 01	9/18/2018	9/18/2019	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		<input checked="" type="checkbox"/>	SWC1197018	6/1/2018	6/1/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

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

Re: 2018/2019 Annual Maintenance Contract - Costa Mesa / SPM Job #6028  
 City Of Costa Mesa is named as Additional Insured includes Waiver of subrogation per endorsements attached as required by written contract. \*30-day notice of cancellation / 10-days for non-payment of premium.

**CERTIFICATE HOLDER****CANCELLATION**

City of Costa Mesa P.O. Box 1200 Costa Mesa CA 92628-1200	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  Dave Jacobson

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ACORD 25 (2016/03)

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Blanket as required by written contract.	Blanket as required by written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are

required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project

**C. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Blanket as required by written contract.	Blanket as required by written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BROADENED COVERAGE FOR CONTRACTORS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

#### **A. PROPERTY DAMAGE TO BORROWED EQUIPMENT**

Paragraph (1), of j. **Damage To Property**, under **2. Exclusions**, of **SECTION I – COVERAGES COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is amended to add the following:

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided that they are not being used to perform operations at the time of the loss.

With respect to "property damage" to borrowed equipment the following additional provisions apply:

1. The most we will pay for "property damage" to borrowed equipment is \$100,000 for any and all such losses regardless of the number of:
  - a. Insureds;
  - b. Claims or "suits" brought; or
  - c. Persons or organizations bringing claims or "suits".

#### **B. NON-OWNED WATERCRAFT EXTENSION**

Subparagraph (2) of g. **Aircraft, Auto Or Watercraft**, under **2. Exclusions**, of **SECTION I – COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted and replaced with the following:

This exclusion does not apply to:

- (2) a watercraft you do not own that is:
  - (a) Less than 51 feet long; and
  - (b) Not being used to carry persons or property for a charge.

#### **C. DAMAGE TO PREMISES RENTED TO YOU**

The last paragraph of **2. Exclusions** of **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted and replaced with the following:

Exclusions c. through n. do not apply to damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by:

1. Fire;
2. Explosion;

3. Lightning;
4. Smoke resulting from such fire, explosion or lightning; or
5. Water.

A separate limit of insurance applies to this coverage as described in **Section III Limits of Insurance**.

This insurance does not apply to damage to premises rented to you, or temporarily occupied by you, with permission of the owner caused by:

1. Rupture, bursting, or operation of pressure relief devices;
2. Rupture or bursting due to expansion or swelling of structural components or the contents of any building or structure, caused by or resulting from water;
3. Explosion of steam boilers, steam pipes, steam engines or steam turbines.

Paragraph 6. of **SECTION III LIMITS OF INSURANCE** is deleted and replaced with the following:

Subject to paragraph 5. of **SECTION III – LIMITS OF INSURANCE**, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**. for the sum of all damages because of “property damage” to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire; explosion; lightning; smoke resulting from such fire, explosion , or lightning; or water. The Damage To Premises Rented To You Limit will apply at all “property damage” proximately caused by the same “occurrence”, whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented to You Limit will be the higher of:

- a. \$300,000; or
- b. The amount shown on the Declarations for Damage To Premises Rented To You Limit.

Paragraph a. of 9. “Insured Contract”, under **SECTION V – DEFINITIONS**, is deleted and replaced with the following:

An “Insured contract” means a contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you, or temporarily occupied by you with permission of the owner, caused by: fire: explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water, is not an “insured contract”.

#### **D. PROPERTY DAMAGE COVERAGE FOR PERSONAL PROPERTY WHILE IN YOUR POSSESSION**

Sub-paragraphs (3) and (4) of Paragraph j. **Damage To Property**, of **2. Exclusions**. of **SECTION I – COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** do not apply to “property damage” to the property of others while in your possession. With respect to the insurance provided by this section of the endorsement, the following provisions apply:

The limit of this coverage is \$25,000 per “occurrence” and \$25,000 aggregate in any annual policy period starting with the beginning of the policy period in the Declarations, regardless of the number of:

- a. Insureds;

- b. Claims or "suits" brought; or
- c. Persons or organizations bringing claims or "suits".

We will pay for damages on your behalf, only to the amount of damages for each "occurrence" on your behalf applies only to the amount of damages for each "occurrence" which are in excess of a \$1,000 deductible.

We may pay any part, or all of the deductible amount, to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount, as has been paid by us.

#### **E. PROPERTY DAMAGE COVERAGE FOR TENANTS – REAL PROPERTY**

Sub-paragraph j. (5) **Damage To Property**, of 2. **Exclusions** of **SECTION I – COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is deleted and replaced with the following:

While under your care, custody or control we will pay for "property damage" to property of others arising out of operations incidental to your business when:

- a. Damage is caused by the insured;
- b. Damage occurs while in the insured's possession

The most we will pay under this provision for loss or damage during the policy period is \$25,000 per "occurrence" and \$25,000 aggregate in any annual policy period starting with the beginning of the policy period in the Declarations.

We will pay damages on your behalf, only to the amount of damages for each "occurrence" which are in excess of a \$1,000 deductible. The limits of insurance will not be reduced by the application of such deductible amount.

We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us; or

#### **F. SUPPLEMENTARY PAYMENTS**

Paragraphs **1.b.** and **1.d.** under **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I** is amended as follows:

- a. In paragraph **1.b.**, the amount we will pay for the cost of bail bond is increased to \$2,500
- b. In paragraph **1.d.**, the amount we will pay for loss of earnings is increased to \$500 a day.

#### **G. NEWLY ACQUIRED OR FORMED ORGANIZATIONS**

Paragraph **3.a.** of **SECTION II – WHO IS AN INSURED** is deleted and replaced with the following:

Coverage under this provision is afforded until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier.

#### **H. PAST PARTNERSHIPS AND JOINT VENTURES**

The following is added to **SECTION II – WHO IS AN INSURED**:

If you are an insured, as shown in the Declarations, you are an insured for your interest in a partnership or joint venture that ended prior to this policy-period. This insurance applies:

- a. Only to the extent of your interest in the partnership or joint venture.
- b. Only if no other similar insurance is available to you for your interest in the joint venture or partnership.

The last paragraph of **SECTION II – WHO IS AN INSURED** is deleted and replaced with the following:

Except as provided in **H. PAST PARTNERSHIPS AND JOINT VENTURES**, no person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

**I. ADDITIONAL INSURED**

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization with whom or with which you have agreed in writing in a contract or agreement that such person(s) or organization(s) shall be included as an additional insured on your policy is an additional insured. The contract must be executed before the "bodily injury or "property damage" occurs or the "personal injury" or "advertising injury" offense is committed, to name such person or organization as an additional insured, but only with respect to liability arising out any tenancy operation or use of equipment leased to you by such an additional insured. The following provisions apply to such additional insured:

- a. The limits of insurance afforded to the additional insured shall be the limits which you agreed to provide in the written contract, or the limits shown on the Declarations, whichever is less.
- b. The insurance afforded to the additional insured does not apply to:
  - i. ny "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense which is committed, after you cease to be a tenant in that premises; A
  - ii. Liability arising out of any premises for which coverage is excluded by endorsement; or
  - iii. liability arising out of structural alterations, new construction or demolition operations performed by or on behalf of such additional insured(s) L

The insurance afforded to the additional insured is excess over any valid and collectible insurance available to the insured, unless you have agreed in the written contract that this insurance must be primary or non-contributory with such other insurance.

**J. BROADENED NAMED INSURED**

Paragraph 1.d. of **SECTION II – WHO IS AN INSURED** is deleted and replaced with the following:

The person or organization named in the Declarations, and any organization, other than a partnership, joint venture or limited liability company, of which you maintain ownership or in which you maintain the majority interest on the effective date of the policy. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. However, coverage for any such additional organization will cease as of the date, if any, during the policy

period, that you no longer maintain ownership of, or the majority interest in, such organization.

**K. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

The following is added to paragraph 6. **Representations** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

Based on our reliance on your representations as to existing hazards, if you unintentionally fail to disclose any such hazards prior to the beginning of the policy period of this coverage part, we shall not deny coverage under this coverage part because of such failure. However, the provision does not affect our right to collect additional premium or to exercise our right of cancellation or nonrenewal in accordance with applicable state insurance laws, codes or regulations.

**L. BROADENED NOTICE OF OCCURRENCE**

The following is added to paragraph 2 **Duties in the Event of Occurrence, Offense, Claim or Suit** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

- a. Notice of an “occurrence” or of an offense which may result in a claim covered by this policy, the failure to report such “occurrence” to us at the time of the “occurrence shall not be deemed a violation of this condition unless such “occurrence” or offense becomes known to you, or one of the following if designated by you to give such notice: your “executive officers” (if you are a corporation), one of your partners who is an individual (if you are a partnership), one of your managers (if you are a limited liability company), or an “employee” (such as an insurance, loss control or risk manager or administrator)., However, you or your designated representative must give us notice as soon as practicable after being made aware that the particular claim.
- b. Knowledge by any other “employee” of an “occurrence” or offense does not imply that you also have such knowledge.
- c. This provision does not apply as respects the specific number of days within which you are required to notify us in writing of the abrupt commencement of a discharge, release or escape of “pollutants” that causes “bodily injury” or “property damage” which may otherwise be covered under this policy.

**M. WAIVER OF SUBROGATION**

The following is added to paragraph 8. **Transfer of Rights of Recovery Against Others to Us** of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of: premises owned or occupied by or rented or loaned to you; ongoing operations performed by you or on your behalf, done under contract with that person or organization; “your work”; or “your products”. We waive this right where you have agreed to do so as part of a written contract, executed by you before the “bodily injury” or “property damage” occurs or the “personal injury” or “advertising injury” offense is committed.

**N. BROADENED CONTRACTUAL LIABILITY – WORK WITHIN 50’ OF RAILROAD PROPERTY**

Paragraph 9.c. of the definition “Insured Contract” under **SECTION V – DEFINITIONS** is deleted and replaced with the following:

“Insured contract” means any easement or license agreement in connection with construction or demolition operations on or within 50 feet of a railroad.

Paragraph f.(1) of 9. "Insured contract" under **SECTION V – DEFINITIONS** is deleted.

**O. BODILY INJURY DEFINITION**

The definition of "bodily injury" in paragraph 3. of **SECTION V – DEFINITIONS** is deleted and replaced with the following:

"Bodily injury" means bodily injury, mental anguish, mental shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

<b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY</b>	<b>WC 04 03 06</b>
	(Ed. 4-84)

**WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be 2.00% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

**Person or Organization**

**Job Description**

Any person or organization as required by written contract

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

Endorsement Effective 6/1/2018

Policy No. SWC1197018

Endorsement No.

Insured Superior Pavement Markings, Inc.

Premium \$

Insurance Company

Security National Insurance Company

Countersigned by





# ***CITY COUNCIL AGENDA REPORT***

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MEETING DATE: April 5, 2016

ITEM NUMBER: CC-7

**SUBJECT: STREET STRIPING & THERMOPLASTIC MARKINGS**

**DATE: MARCH 24, 2016**

**FROM: PUBLIC SERVICES DEPARTMENT – MAINTENANCE SERVICES DIVISION**

**PRESENTATION BY: ERNESTO MUNOZ, PUBLIC SERVICES DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: BRUCE HARTLEY (714) 754-5123  
BRUCE LINDEMANN (714) 327-7470**

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## **RECOMMENDATION**

1. Approve and authorize the Chief Executive Officer to execute a three (3) year contract for the performance of street striping and installation of thermoplastic roadway markings to Superior Pavement Markings, Inc., 5312 Cypress St., Cypress CA 90630, per formal bid item #16-29, in an amount not to exceed \$150,000 annually. Based upon a competitive bidding process and analysis provided by the Public Services Department.
2. Authorize the Chief Executive Officer to execute the Professional Services Agreement for the contract.
3. Authorize the Chief Executive Officer to renew the contract for two (2) additional one (1) year terms, upon mutual agreement of both parties.

## **BACKGROUND**

The City of Costa Mesa has over 1,500,000 linear feet of painted roadway traffic lines. Since 2009, the Public Services Department has used a hybrid system of in-house staff and outside contractors to paint residential and arterial roadway striping and markings. The contract for roadway striping and markings has expired. In order to meet the needs of the Department, the work needed to be re-bid and a new contract established.

On February 11, 2016 the Purchasing Division advertised an "Invitation for Bid" for Street Striping & Thermoplastic Markings. As required by the City of Costa Mesa Municipal Code the "Notice Inviting Bids" was sent to qualified vendors, published in the Daily Pilot Newspaper and posted on the City's website.

In response to the IFB, five (5) vendors attended the mandatory pre-bid conference:

- J & S Striping
- Orange County Striping
- PCI
- Sterndahl Enterprises
- Superior Pavement Markings, Inc.

## **ANALYSIS**

The IFB allowed bidders to provide pricing information based on a rate per linear foot for a variety of striping and thermoplastic configurations and sizes. In response to the City's IFB, only one qualified, responsible and responsive bid was received. It was determined that Superior Pavement Markings, Inc. met all requirements of the bid. Staff evaluated the bid response, reviewed references and confirmed the required insurance documents.

The bid received for roadway striping was \$144,209.90. The bid for thermoplastic markings was for \$24,000. The bid totals are comparable to the Engineer's estimate and within the amount budgeted for the performance of the requested services. The bid tabulation is provided in the Bidder's response. (Attachment 1) When contacted by City staff, the non-responding companies cited either not having some of the City-required licenses, or the knowledge that one of the companies at the mandatory pre-bid meeting has a history of significantly lower pricing as reason they did not submit a bid.

## **FISCAL REVIEW**

City Council allocated funding for this contract through the adoption of the FY15-16 Public Services Department operations budget.

## **ALTERNATIVES CONSIDERED**

The Council could reject the bid and direct staff to re-advertise the work. However, with the five most prominent local companies already provided an opportunity to bid, it is not likely new companies with lower pricing would be obtained.

## **LEGAL REVIEW**

The City Attorney's Office has reviewed and approved of the terms of the contract and the Professional Services Agreement with Superior Pavement Markings Incorporated (Attachment 2).

## **CONCLUSION**

Properly maintained pavement markings improve nighttime visibility of roadways and reduce the risk of roadway accidents. The City pro-actively repaints roadway lane markings on a biannual basis to ensure that they are clearly visible at night, as directed by the Federal Highway Administration and regulated by the Manual on Uniform Traffic Control Devices. The City's contract for striping services expired. The needed work was advertised through the formal bid process, with only Superior Pavement Markings, Inc., submitting a bid. The pricing is very competitive, is within the approved budget, and the company has performed very well for the City in the past.

It is therefore recommended that the Council award the proposed three (3) year contract with two (2) optional one (1) year renewals as a cost effective method to ensure that the traffic lines on roadways throughout the City are maintained on a regular schedule.

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ERNESTO MUNOZ  
Public Services Director

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BRUCE HARTLEY  
Maintenance Services Manager

- Attachments:
1. Bid Submittal – Superior Pavement Markings, Inc.
  2. Professional Services Agreement

## FOR INFORMATIONAL PURPOSES ONLY

### 7. STREET STRIPING & THERMOPLASTIC MARKINGS

#### **ACTION:**

1. City Council approved and authorized the Chief Executive Officer to execute a three (3) year contract for the performance of street striping and installation of thermoplastic roadway markings to Superior Pavement Markings, Inc., 5312 Cypress St., Cypress, CA 90630, per formal bid item #16-29, in an amount not to exceed \$150,000 annually. Based upon a competitive bidding process and analysis provided by the Public Services Department; and
2. City Council authorized the Chief Executive Officer to execute the Professional Services Agreement for the contract; and
3. City Council authorized Chief Executive Officer to renew the contract for two (2) additional one (1) year terms, upon mutual agreement of both parties.

### 8. EMERGENCY PURCHASE FOR PROFESSIONAL ENGINEERING SERVICES TO PROVIDE AS NEEDED STAFF SUPPORT FOR VARIOUS CAPITAL IMPROVEMENT PROGRAM PROJECTS

#### **ACTION:**

City Council received and filed.

### 9. CITY'S PHONE SYSTEM WHOLESALE SERVICE AGREEMENT

#### **ACTION:**

City Council approved and authorized the Chief Executive Officer to execute the Avaya wholesale service agreement and wholesale service renewal options for a three year contract with Carousel Industries for the maintenance and support of the City's Avaya phone system, in an amount not to exceed \$49,177.50 annually with a one-time re-initiation fee of \$19,809.36, with the option to renew for two additional one year terms, upon mutual agreement of both parties.