

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works Department – Award of contracts for installation of underground lighting conduit at Zamperini Field.

Expenditure \$113,109.87

RECOMMENDATION

The Public Works Director recommends that City Council:

1. Waive minor irregularities and an immaterial variation and accept the bid and award a Public Works Agreement to Kingsboro Construction in an amount not to exceed \$86,027.15 and authorize a 10% contingency in the amount of \$8,602.72 for installation of Underground Lighting Conduit at Zamperini Field, Phase I;
2. Authorize the Public Works Director to execute a Consulting Services Agreement with HB-HYECOM, Inc. in an amount not to exceed \$18,480.00 for construction observation.

Funding

Funding for these agreements can be found under the Airport Taxiway and Conduit Wiring Project (FEAP 350).

BACKGROUND

The existing runway lighting at Zamperini Field was installed approximately 50 years ago using direct burial wire. Although the existing lights are functioning well, there have been numerous problems with the wiring. The direct burial wires are subject to damage from nearby work, gophers and other natural causes. Since the lighting is all on one circuit (series lighting), any damage shuts down all lights on the main runway. The runway must remain closed until the damage is located and repaired.

Recognizing a continuing need, in 2003 a project was proposed with Airport Funds allocated on an annual basis to replace the wiring. However, it was necessary to accumulate funds over a number of years to develop a cost-effective replacement program. Adequate funds now are available to proceed with the work. This project will replace a portion of the existing wires with new wiring in a rigid conduit.

As proposed, the wiring on the north side and at the ends of the main runway will be replaced, as well as a portion of the south side. The work has been coordinated with the Federal Aviation Administration (FAA) personnel in the control tower and will be performed in compliance with all FAA regulations and in accordance with an Airport Safety Plan conforming to FAA regulations.

The project was bid with a "Base Bid" Area and two (2) Additive Areas, as shown on Attachment A, due to uncertainty as to costs. This type of work is not common and is difficult to accurately predict how potential bidders will perceive the risks involved. The multiple areas provided the City the opportunity to increase or reduce the amount of work based on the bids received.

ANALYSIS

The project was advertised in July, 2006, and four (4) bids were opened on August 10, 2006, with the following results:

1. Kingsboro Construction	\$ 86,027.15 (read as \$86,027.40)
2. Y & M Construction	\$157,543.00
3. OAK Engineering, Inc.	\$237,408.00
4. KDC, Inc. dba Dynalectric	\$268,931.00 (read as \$266,431.00)

The Engineer's estimate for the "Base Bid" Area is \$100,000 to \$120,000. The Engineer's estimate for the "Base Bid" Area plus both Additive Areas is \$156,200. The above bid results are totals for all three areas.

Kingsboro Construction (Kingsboro), the apparent low bidder, is well known to the City, having performed numerous repairs to existing electrical systems at Zamperini Field over several years. There are, however, minor irregularities with their bid. Their total as submitted had two minor math errors resulting in a total error of \$0.25, which staff recommends may be waived as immaterial.

Kingsboro has a Class B license, in lieu of the Class A or Class C-10 license called for in the Notice Inviting Bids. However, the Specifications reserve the City the right to award the contract to a contractor with another class of license if it determines that the license is proper for the work. The types of work proposed involve electrical work (Class C-10) and underground conduit installation (Class C-34). The Class B license normally is obtained by building contractors, whereas general engineering contractors obtain the Class A license. The Class B license only can be obtained if a building (carpentry) contractor is qualified in at least two other specialty trades. Electrical work and underground conduit installation are typical building trades performed under a Class B license.

An airport essentially is a building site. Therefore, the Class B license is proper for the proposed work if a contractor has experience with the required trades. Kingsboro specializes in Airport work, which often involves building trades in addition to site work, which is why it has a Class B license. Kingsboro has extensive experience in the types of work involved and is well-qualified to perform the project. Therefore, staff

believes the different license is acceptable as an immaterial variation as permitted by the Specifications.

It is recommended a Public Works Agreement be awarded to Kingsboro Construction in the amount of \$86,027.15. Since the existing electrical system is old with poor records and all quantities are estimates only, a 10% contingency (\$8,602.72) is proposed to allow for field adjustments and unexpected system repairs.

For safety and security purposes a full-time construction observer with experience working on a general aviation airport is recommended. City staff obtained informal proposals from four consultants to assess their qualifications and fees and selected HB-HYECOM, Inc. as best qualified for this work. Attachment C is the proposed Consulting Services Agreement to HB-HYECOM, Inc. for inspection services. The not-to-exceed cost is based on the maximum anticipated number of work days required to complete all work. It is recommended that the Public works Director be authorized to execute this contract.

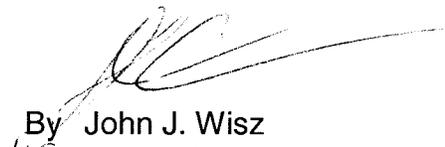
It is anticipated construction will begin in September, 2006 and last approximately 6 weeks. All work will be coordinated with Airport operations and performed during daylight hours only.

Respectfully submitted,

ROBERT J. BESTE.
Public Works Director

CONCUR:

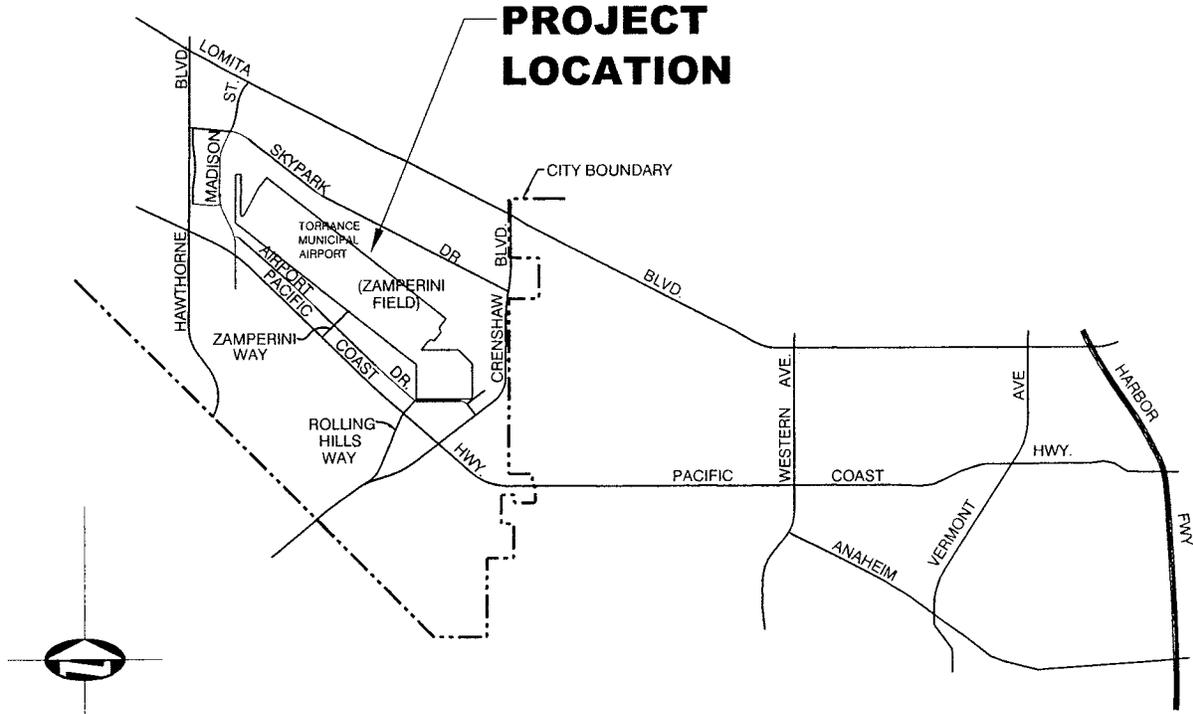

Robert J. Beste
Public Works Director


By John J. Wisz
Project Manager


LeRoy J. Jackson
City Manager

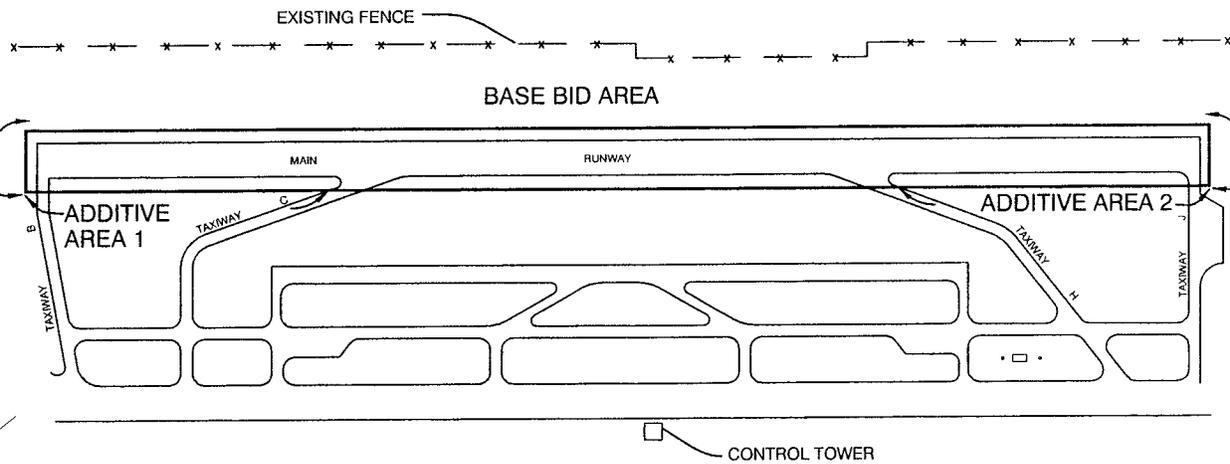
Attachments: A. Project Location Map
B. Public Works Agreement with Kingsboro Construction
C. Consulting Services Agreement with HB-HYECOM, Inc.

CITY OF TORRANCE UNDERGROUND LIGHTING CONDUIT AT ZAMPERINI FIELD, PHASE I



VICINITY MAP

N.T.S.



KEY MAP

N.T.S.

PUBLIC WORKS AGREEMENT

This PUBLIC WORKS AGREEMENT ("Agreement") is made and entered into as of August 22, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Kingsboro Construction, a sole proprietorship ("CONTRACTOR").

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to install underground lighting conduit at Zamperini Field (Torrance Airport); and;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the INSTALLATION OF UNDERGROUND LIGHTING CONDUIT AT ZAMPERINI FIELD, PHASE I, Notice Inviting Bids No. B 2006-30 (the "NIB"); and
- C. CONTRACTOR has submitted a Bid (the "Bid") in response to the NIB. CONTRACTOR represents that it is qualified to perform those services requested in the Plans and Specifications. Based upon its review of all Bids submitted in response to the NIB, The CITY is willing to award the contract to CONTRACTOR.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONTRACTOR

CONTRACTOR will provide the services and install those materials listed in the Plans and Specifications, which are on file in the Public Works Department. The NIB and the Plans and Specifications are made a part of this Agreement. A copy of the Bid is attached as Exhibit A.

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect for 12 months from the Effective Date.

COMPENSATION

A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with CONTRACTOR's Bid; provided, however, that in no event will the total amount of money paid the CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of \$86,027.15 ("Agreement Sum"), unless otherwise first approved in writing by the CITY.

B. Schedule of Payment.

Provided that the CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid monthly, within 30 days after the date of the monthly invoice.

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONTRACTOR or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal

antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. FORCE MAJEURE

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. RETENTION OF FUNDS

CONTRACTOR authorizes the CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate the CITY for any losses, costs, liabilities, or damages suffered by the CITY, and all amounts for which the CITY may be liable to third parties, by reason of CONTRACTOR's negligent acts or omissions or willful misconduct in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness exists that appears to be the basis for a claim of lien, the CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of the CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

7. THE CITY'S REPRESENTATIVE

Robert J. Beste, Public Works Director, is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by the CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. CONTRACTOR REPRESENTATIVE(S)

The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

9. INDEPENDENT CONTRACTOR

The CONTRACTOR is, and at all times will remain as to the CITY, a wholly independent contractor. Neither the CITY nor any of its agents will have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees, except as otherwise set forth in this Agreement. The CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

10. BUSINESS LICENSE

The CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.

11. OTHER LICENSES AND PERMITS

CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. FAMILIARITY WITH WORK

By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform the CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from the CITY.

13. CARE OF WORK

CONTRACTOR must adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by the CITY, except those losses or damages as may be caused by the CITY's own negligence.

14. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between the CITY and the CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to the CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. INDEMNIFICATION

CONTRACTOR will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily

injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONTRACTOR will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONTRACTOR will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES

No officer or employee of the CITY will be personally liable to CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

17. INSURANCE

- A. CONTRACTOR must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:
1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - b. Primary Property Damage of at least \$250,000 per occurrence; or
 - c. Combined single limits of \$1,000,000 per occurrence.

2. General Liability including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
 3. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONTRACTOR will be primary and non-contributory.
 - C. The CITY of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.
 - D. CONTRACTOR must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
 - E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to the CITY.
 - F. CONTRACTOR must include all subcontractors as insureds under its policies or must furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements of this Paragraph 17.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies and/or the performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk

Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
 - 1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
 - 2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
 - 3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
 - 4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.

5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.
6. Addresses for purpose of giving notice are as follows:

CONTRACTOR: Dave Kingsboro
Kingsboro Construction
23640 Tower Street
Moreno Valley, CA 92553
Fax: (951) 924 2980

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either the CITY or CONTRACTOR without the prior written consent of the other.

22. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of the CITY and CONTRACTOR as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. TIME OF ESSENCE

Time is of the essence in the performance of this Agreement.

26. GOVERNING LAW; JURISDICTION

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. COMPLIANCE WITH STATUTES AND REGULATIONS

CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. WAIVER OF BREACH

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. ATTORNEY'S FEES

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. EXHIBITS

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. CONTRACTOR'S AUTHORITY TO EXECUTE

The persons executing this Agreement on behalf of the CONTRACTOR warrant that (i) the CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONTRACTOR; (iii) by so executing this Agreement, the CONTRACTOR is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONTRACTOR is bound.

CITY OF TORRANCE,
a Municipal Corporation

KINGSBORO CONSTRUCTION
a Sole Proprietorship

By: _____
Frank Scotto, Mayor

By: _____
Dave Kingsboro

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A: Bid

Created: 4/16/97
Revised: 3/3/99
2nd Revision: 5/17/01

EXHIBIT A

**BIDDER'S PROPOSAL
B2006-30**

Company: Kingsboro Construction
Total Bid: 86027.40

**PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT
FOR THE INSTALLATION OF
UNDERGROUND LIGHTING CONDUIT AT ZAMPERINI FIELD, PHASE I
B2006-30**

Honorable Mayor and Members
of the Torrance City Council
Torrance, California

Members of the Council:

In accordance with the Notice Inviting Bids pertaining to the receiving of sealed proposals by the City Clerk of the City of Torrance for the above titled improvement, the undersigned hereby proposes to furnish all Work to be performed in accordance with the Plans, Specifications, Standard Drawings, and the Contract Documents, for the unit price or lump sum set forth in the following schedule:

Item No.	Approx Qty	Unit	Description	Unit Price	Total Bid
BASE BID					
1.	1	LS	Mobilization and Safety Plan	3515.00	3,515.00
2.	5120	LF	Install 2" Schedule 40 PVC Duct, including bedding, backfill and compaction	6.65	34,048.00
3.	5298	LF	Furnish and Install Conductor, including testing	3.80	20,132.40
4.	36	EA	Reconnect existing runway light to new conductor(s), including testing	47.50	1,710.00
TOTAL - BASE BID					59,405.40
ADDITIVE AREA 1					
1a.	1	LS	Mobilization and Safety Plan	1500.00	1,500.00
2a.	1103	LF	Install 2" Schedule 40 PVC Duct, including bedding, backfill and compaction	6.65	7,335.00

Item No.	Approx. Qty	Unit	Description	Unit Price	Total Bid
3a.	1181	LF	Furnish and Install Conductor, including testing	3.80	4,488.00
4a.	6	EA	Reconnect existing runway light to new conductor(s), including testing	95.00	570.00
TOTAL - ADDITIVE AREA 1					13,893.⁰⁰
ADDITIVE AREA 2					
1b.	1	LS	Mobilization and Safety Plan	1500.00	1500.00
2b.	956	LF	Install 2" Schedule 40 PVC Duct, including bedding, backfill and compaction	6.65	6357.40
3b.	1107	LF	Furnish and Install Conductor, including testing	3.80	4204.40
4b.	7	EA	Reconnect existing runway light to new conductor(s), including testing	95.00	665.00
TOTAL - ADDITIVE AREA 2					12,729.⁰⁰
NOTE: CITY RESERVES THE RIGHT TO INCLUDE OR EXCLUDE EITHER ADDITIVE AREA					

TOTAL - BASE BID Fifty Nine Thousand Four Hundred Five + ⁴⁰/₁₀₀
 (Words)*
\$59,405.40
 (Figures)*

TOTAL - ADDITIVE AREA 1: Thirteen Thousand Eight Hundred Ninety Three + ⁰⁰/₁₀₀
 (Words)*
\$13,893.00
 (Figures)*

TOTAL - ADDITIVE AREA 2 Twelve Thousand Seven Hundred Twenty Nine + ⁰⁰/₁₀₀
 (Words)
\$12,729.00
 (Figures)*

***BID MAY BE REJECTED IF TOTAL IS NOT SHOWN IN FIGURES AND WORDS.**

B2006-30

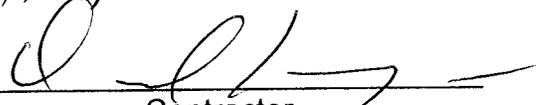
NOTE: THIS SECTION IS FOR CALCULATION PURPOSES ONLY AND IS NOT A PART OF THE BID.	
Base Bid + Additive Area 1	\$ 73,298.40
Base Bid + Additive Area 2	\$ 72,134.40
Base Bid + Additive Area 1 + Additive Area 2	\$ 86,027.40

The undersigned furthermore agrees to enter into and execute a contract, with necessary bonds, at the unit prices set forth herein and in case of default in executing such contract, with necessary bonds, the check or bond accompanying this bid and the money payable thereon shall be forfeited thereby to and remain the property of the City of Torrance.

The above unit prices include all work appurtenant to the various items as outlined in the Specifications and all work or expense required for the satisfactory completion of said items. In case of discrepancies between unit prices and totals, the unit prices shall govern.

The undersigned declares that it has carefully examined the Plans, Specifications, and Contract Documents, and has investigated the site of the work and is familiar with the conditions thereon.

Kingsboro Construction


Contractor

Date: August 8, 2006 By: David Kingsboro

Contractor's State License No. Address: 23640 Tower #3

385688 Moreno Valley, CA 92553

Class B Phone: (951) 242-0446

ACKNOWLEDGMENT OF ADDENDA RECEIVED

The Bidder shall acknowledge the receipt of addenda by placing an "X" by each addendum received.

Addendum No. 1 X

Addendum No. 2 _____

Addendum No. 3 _____

Addendum No. 4 _____

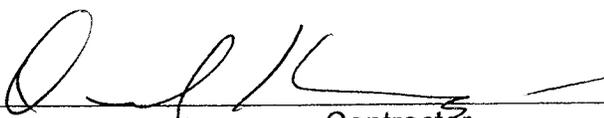
Addendum No. 5 _____

Addendum No. 6 _____

Addendum No. 7 _____

Addendum No. 8 _____

If an addendum or addenda have been issued by the City and not noted above as being received by the Bidder, the Bid Proposal may be rejected.



Contractor

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE }

CONTRACTOR'S AFFIDAVIT

B2006-30

David Kingsboro, being first duly sworn, deposes and says:

- 1. That he is the OWNER the
Title
of Kingsboro Construction
(Name of Partnership, Corporation, or Sole Proprietorship)

hereinafter called "Contractor," who has submitted to the City of Torrance a proposal for the Installation of Underground Lighting Conduit at Zamperini Field, Phase I, B2006-30.

- 2. That said proposal is genuine; that the same is not sham; that all statement of facts therein are true;
- 3. That such proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;
- 4. That the Contractor did not, directly or indirectly, induce, solicit or agree with anyone else to submit a false or sham bid, to refrain from bidding, or to withdraw the bid, to raise or fix the bid price of the Contractor or anyone else, or to raise or fix any overhead, profit or cost element of the Contractor's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Torrance, or of any other bidder, or anyone else interested in the proposed contract;
- 5. That the Contractor has not in any manner sought by collusion to secure for itself an advantage over any other bidder or to induce action prejudicial to the interests of the City of Torrance, or of any other bidder or of anyone else interested in the proposed contract;
- 6. That the Contractor has not accepted any bid from any subcontractor or materialman through any bid depository, the bylaws, rules or regulations of which prohibit or prevent the Contractor from considering any bid from any subcontractor or materialman, which is not processed through said bid depository, or which prevent any subcontractor or materialman from bidding to

CONTRACTOR'S AFFIDAVIT (CONTINUED)

any contractor who does not use the facilities of or accept bids from or through such bid depository;

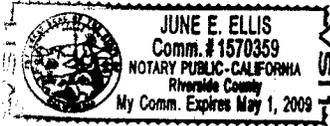
- 7. That the Contractor did not, directly or indirectly, submit the Contractor's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual or group of Individuals, except to the City of Torrance, or to any person or persons who have a partnership or other financial interest with said Contractor in its business.

Dated this 8th day of August, 2006.

Subscribed and Sworn to before me this 8th day of August, 2006.

[Signature]
 (Contractor)
owner
 (Title)

[Signature]
 Notary Public in and for said
 County and State.
 (Seal)



CITY OF TORRANCE, CALIFORNIA**ADDENDUM NO. 1****TO****PLANS, PROPOSAL, SPECIFICATIONS, BOND AND
AFFIDAVIT FOR THE INSTALLATION OF****UNDERGROUND LIGHTING CONDUIT AT ZAMPERINI FIELD, PHASE I
B2006-30****Issued: August 3, 2006**

Please note the following changes and/or additions to the Plans and Specifications for the project indicated above. The bidder shall fill out the Acknowledgment of Addenda Received Form in Section C (Bid Documents) of the Specifications.

Pursuant to Section D.1. of the Instructions to Bidders, as a result of the mandatory pre-bid site meeting, the following changes are hereby made:

1. The following changes shall apply to reflect existing conditions:

- a. Any reference in the Plans, Specifications and Bidders Proposal for new 1 1/2" Schedule 40 PVC Duct is hereby replaced with 2" Schedule 40 PVC Duct.
- b. The Typical Trench Detail on Sheet 1 of Plan No. AP-176 hereby is revised to delete the 24" depth and to replace it with "Depth varies - match existing depth of direct-burial conductor to be replaced".
- c. The Existing Light Detail on Sheet 3 of Plan No. AP-176 hereby is revised to delete the existing 1 1/2 " conduit and to show the existing concrete cap extends a greater distance beyond the 2" hub, as reviewed in the field at said meeting.

2. Refer to Section F, Technical Specifications for Runway Lighting Conduit:

Delete the "Hi-Pot" Test per subsection 2.3.3. The Megger Test is required.

3. Refer to Section C, Bid Documents:

Replace the first two pages of the Bidders Proposal with the attached pages, which reflect the change to 2" PVC ducts. No other changes are made.

By Order of the City Engineer



CRAIG BILEZERIAN
City Engineer

BIDDER'S CERTIFICATION

I acknowledge receipt of the foregoing Addendum No. 1 and accept all conditions contained therein.

Kingsboro Construction
Bidder

David Kingsboro
By

August 8, 2006
Date

***** Submit this executed form with the bid *****

LIST OF SUBCONTRACTORS

The Bidder is required to fill in the following blanks in accordance with the provisions of the Subletting and Subcontracting Fair Practices Act (Chapter 2 of Division 5, Title 1 of the Government Code of the State of California) and should familiarize itself with Section 2-3 of the Standard Specifications.

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

NONE

Subcontractors listed in accordance with the provisions of Section 2-3 must be properly licensed under the laws of the State of California for the type of work, which they are to perform. Do not list alternate subcontractors for the same work.

REFERENCES

(Work similar in magnitude and degree of difficulty completed by Contractor within the past three [3] years.)

1. Name (Firm/Agency): Ohio University
 Address: P.O. Box 640, Athens, Oh 45701-0640
 Contact Person: Becky Tippie Telephone No.: (740) 593-1960
 Title of Project: Fresno Runway Identification
 Project Location: Fresno Airport
 Date of Completion: 8-5-06 Contract Amount: \$ 67,900.⁰⁰
2. Name (Firm/Agency): L3 Communications
 Address: 901 E Ball Road Anaheim, CA 92805
 Contact Person: _____ Telephone No.: (714) 952-9200
 Title of Project: Lindburgh San Diego Generator
 Project Location: Lindburgh Airport
 Date of Completion: 7-14-06 Contract Amount: \$ 49,907.⁰⁰
3. Name (Firm/Agency): C+S
 Address: 16631 N. 91ST St #107 Scottsdale, AZ
 Contact Person: Wade Herten Telephone No. (480) 473-2440 85260
 Title of Project: So Cal Tracon Overhead Lighting
 Project Location: Southern Calif Tracon
 Date of Completion: 3-29-06 Contract Amount: \$ 134,000
4. Name (Firm/Agency): Federal Aviation Administration
 Address: 9175 Kearney Villa Rd, San Diego, CA
 Contact Person: John Milne Telephone No.: (858) 537-5683 92126
 Title of Project: Ongoing FAA Work
 Project Location: San Diego, AZ
 Date of Completion: Ongoing Contract Amount: \$ Ongoing + \$100,000 +

REFERENCES

If Contractor has not performed work for the City of Torrance within the last five (5) years, list all work done within said five years (attach additional sheets if necessary). Note if work was done as subcontractor [include only subcontract amount]:

Work Description & Contract Amount	Agency	Date Completed
Runway Lighting	Torrance Airport	
Emergency Runway Lighting	Torrance Airport	
Runway Signage lighted	Torrance Airport	1/25/2006

Contractor's License No.: 385688 Class: B

a. Date first obtained: Dec 17, 1979 Expiration Dec 2007

b. Has License ever been suspended or revoked? No

If yes, describe when and why: _____

c. Any current claims against License or Bond? No

If yes, describe claims: _____

Principals in Company (List all – attach additional sheets if necessary):

<u>NAME</u>	<u>TITLE</u>	<u>LICENSE NO.</u> (If Applicable)
<u>David Kingsboro</u>	<u>OWNER</u>	<u>385688</u>
_____	_____	_____
_____	_____	_____

B2006-30

DBE

BIDDERS LIST

All bidders/proposers are requested to provide the following information for all DBE and non-DBE contractors or consultants who provided a proposal, bid, quote, or were contacted by the proposed prime. This information is also requested from the proposed prime contractor/consultant and must be submitted with their bid/proposal. The City of Torrance will use this information to maintain and update a "Bidders" List to assist in the overall annual DBE goal-setting process.

Firm Name: <u>Kingsboro Construction</u> Phone: <u>(951) 242-0446</u>	
Address: <u>23640 Tower #3</u> <u>Moreno Valley, CA 92553</u>	Fax: <u>(951) 924-2980</u>
Contact Person: <u>David Kingsboro</u>	No. of years in business: <u>28</u>
Is the firm currently certified as a DBE under 49 CFR Part 26: YES: <input type="checkbox"/> NO: <input checked="" type="checkbox"/>	
Type of work/services/materials provided by firm? <u>Electrical, Plumbing, Concrete, Etc</u>	
What was your firm's Gross Annual receipts for last year?	
<p>Less than \$1 Million <input checked="" type="checkbox"/></p> <p>Less than \$5 Million</p> <p>Less than \$10 Million</p> <p>Less than \$15 Million</p> <p>More than \$15 Million</p>	

This form can be duplicated if necessary to report all bidders (DBEs and non-DBEs) information.

VIOLATIONS OF FEDERAL, STATE OR LOCAL LAWS

- 1. Has your firm or its officers been assessed any penalties by an agency for noncompliance or violations of Federal, State or Local labor laws and/or business or licensing regulations within the past five (5) years relating to your construction projects?

Yes/No: *No* Federal/State: _____

If "yes," identify and describe, (including agency and status): _____

Have the penalties been paid? Yes/No: _____

- 2. Does your firm or its officers have any ongoing investigations by any public agency regarding violations of the State Labor Code, California Business and Professions Code or State Licensing Laws?

Yes/No: *No* Code/Laws: _____ Section/Article: _____

If "yes," identify and describe, (including agency and status): _____

DISQUALIFICATION OR DEBARMENT

Has your firm, any officer of your firm, or any employee who has a proprietary interest in your firm ever been disqualified, removed, or otherwise prevented from bidding on, performing work on, or completing a federal, state or local project because of a violation of law or a safety regulation? Yes/No: No. If yes, provide the following information (if more than once, use separate sheets):

Date: _____ Entity: _____

Location: _____

Reason: _____

Provide Status and any Supplemental Statement: _____

Has your firm been reinstated by this entity? Yes/No: No

CONSULTING SERVICES AGREEMENT

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of August 22, 2006 (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and HB-HYECOM, Inc., a California corporation (“CONSULTANT”).

RECITALS:

- A. CITY wishes to retain the services of an experienced and qualified CONSULTANT to provide construction observation for the installation of underground lighting conduits at Zamperini Field (Torrance Airport), FEAP No. 350.
- B. CONSULTANT represents that it is qualified to perform those services.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT will provide the services listed in the Scope of Services attached as Exhibit A. CONSULTANT warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through August 21, 2007.

3. COMPENSATION

- A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$18,480.00 (“Agreement Sum”), unless otherwise first approved in writing by CITY.

- B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the monthly invoice.

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONSULTANT's negligent acts or omissions or willful misconduct in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of

CONSULTANT to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**

Robert J. Beste, Public Works Director, is designated as the “City Representative,” authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Hotch Bedrosian, President

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT’s employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must

immediately inform CITY of that fact and may not proceed except at CONSULTANT's risk until written instructions are received from CITY.

13. CARE OF WORK

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY's own negligence.

14. CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

Records of the CONSULTANT's time pertaining to the project, and records of accounts between CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. INDEMNIFICATION

CONSULTANT will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer or employee of CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. INSURANCE

- A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:
1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - b. Primary Property Damage of at least \$250,000 per occurrence; or
 - c. Combined single limits of \$1,000,000 per occurrence.
 2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
 3. Professional liability insurance with limits of at least \$1,000,000 per occurrence.
 4. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONSULTANT will be primary and non-contributory.
- C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS AND SURETIES

Insurance or bonds required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONSULTANT agrees that the minimum limits of

any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
 - 1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
 - 2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
 - 3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
 - 4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
 - 5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

CONSULTANT: HB-HYECOM, Inc.
6217 Residencia
Newport Beach, CA 92660

Fax: (949) 706 0051

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONSULTANT without the prior written consent of the other.

22. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. TIME OF ESSENCE

Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**

CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONSULTANT'S AUTHORITY TO EXECUTE**

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement;

and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE,
a Municipal Corporation

HB-HYECOM, Inc.
a California Corporation

Robert J. Beste
Public Works Director

By: _____
Hotch Bedrosian
President

LeRoy J. Jackson, City Manager

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: *Peter D. [Signature]*

Attachments: Exhibit A Scope of Services
 Exhibit B Compensation Schedule

Revised: 1/30/01

EXHIBIT A

SCOPE OF SERVICES

The duties of the CONSULTANT shall include:

- Meet the Contractor at the Airport each work day and escort him onto and off the field. This requires coordination with the City's field personnel and the FAA tower personnel. CONSULTANT will be provided a radio for two-way communications with Airport personnel.
- Ensure the runway is properly closed [Large "X" 's will be provided by the City to the Contractor.] and reopened in compliance with the NOTAM (Notice to Airmen) issued prior to the runway closure. The CONSULTANT will verify a NOTAM was issued.
- Record the men and equipment in use each day, including accepting any documentation. Accept material tickets and record materials delivered to the site, including stockpiles.
- Record the locations and lengths of trenches, the linear feet of conduit installed and the linear feet of conductor pulled through the conduit. Also record the locations and number of lights reconnected each day. This information will be used as a basis of payment for the Contractor. The CONSULTANT will maintain the "as-built" drawing.
- Coordinate with the City's Electrical Inspector who will be responsible to check the connections to the lights. Verify each has been accepted.
- Record all incidents that affect the work, including any work stoppages due to airport operations, any accidents or other non-planned events and any visitors, including other inspectors or testing personnel, in the work area. If required, report any unauthorized visitors or trespassers on the air field to the appropriate authority. Also accept and investigate potential claims from the Contractor.
- At the end of each work day, verify site is clean and clear of all debris, all trenches have been restored, all lights are fully operational and the paved areas have been swept before the contractor leaves the site and the runway is reopened. Also, review stockpiles and the storage yard for compliance with all regulations.
- Provide a daily and weekly report of all activity to the City. If required, include an analysis of any potential claim or change in conditions.

CONSULTANT shall supply inspectors with any and all necessary forms, tools, equipment, vehicles and communication devices, including a cell phone. The hourly rate(s) for compensation as shown on Exhibit B shall include all of the above and cover all fees and expenses for inspectors and other personnel, including mileage, telecommunication charges and other incidentals, and no additional compensation shall be allowed.

EXHIBIT B
COMPENSATION SCHEDULE

Construction Management and Observation **\$70.00 per hour**

The above rate includes all travel and insurance. Additionally, the rate covers all fees and expenses (including but not limited to forms, tools, equipment, vehicles, communications devices, and cell phones) for inspectors and other personnel, including mileage, telecommunication charges, and other incidentals, and no additional compensation shall be allowed. Hours shall be as directed by the City of Torrance.