

Council Meeting of
December 19, 2006

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

Members of the Council:

SUBJECT: Public Works – Award agreement for the Sepulveda Boulevard Rehabilitation and Water Main Replacement Project (Hawthorne Boulevard to west City limit), T-48/I-89. Expenditure: \$ 4,571,459

RECOMMENDATION

The Public Works Director recommends that the City Council:

1. Appropriate additional Water Enterprise funds in the amount of \$500,000 to the Sepulveda Boulevard Water Main Replacement (Hawthorne Boulevard to west City limit), I-89; and
2. Approve the plans and specifications for the Sepulveda Boulevard Rehabilitation and Water Main Replacement (Hawthorne Boulevard to west City limit), T-48/I-89 (B2006-40); and
3. Award a Public Works Agreement to Shawnan in the amount of \$4,227,435 and authorize a 5% contingency in the amount of \$211,372 for the Sepulveda Boulevard Rehabilitation and Water Main Replacement (Hawthorne Boulevard to west City limit), T-48/I-89; and
4. Award a Contract Services Agreement in the amount of \$132,652 to Bureau Veritas North America, Inc. to perform construction inspection services for this project.

Funding

Funding for the Public Works Agreement and 5% contingency and Contract Services Agreement is available from CIP projects T-48, I-89 and the recommended appropriation.

BACKGROUND AND ANALYSIS

The Sepulveda Boulevard Rehabilitation and Water Main Replacement (Hawthorne Boulevard to west City limit), T-48/I-89 ("T-48/I-89 Project") is included in the adopted FY 2007-11 Capital Budget. Improvements include the installation of a 12-inch water main, pavement reconstruction and overlay; replacement of displaced concrete curb, gutter and sidewalk and traffic capacity enhancements at Hawthorne Boulevard, Anza Avenue and at Palos Verdes Boulevard.

The T-48/I-89 Project was advertised for bid in October 2006 as B2006-40. Five bids were received and opened on November 16, 2006 with the following results:

<u>BIDDER</u>	<u>TOTAL BID</u>
1. Shawnan	\$4,227,435.00
2. Sequel Contracting, Inc.	\$4,386,791.00
3. Sully-Miller Contracting	\$4,455,500.00
4. All American Asphalt	\$4,681,134.00
5. Excel Paving	\$5,457,853.00

The Engineer's estimate for the Bid was between \$3,900,000 and \$4,400,000. Shawnan was the apparent lowest, responsible bidder. Although Shawnan's bid is within the estimate range, the total amount of all bid items related to the water main improvements is approximately \$500,000 higher than the available balance of I-89 funds. Therefore, an appropriation in the amount of \$500,000 from the Water Enterprise fund balance is requested to cover the funding shortfall. There are sufficient funds in the T-48 project to cover the roadway improvements.

Shawnan has successfully completed projects of similar type. The firm's references and contractor's license have been checked and found to be in order. Therefore, the Public Works Director recommends that Council award the Public Works Agreement (Attachment A) to Shawnan.

Contract Services Agreement: Bureau Veritas North America, Inc.

Construction of this project requires full time construction inspection services on weekdays and on some Saturdays. Currently, the City's public works inspection workload and schedule requires that contract construction inspection services be obtained for this project. Public Works-Engineering staff will perform construction management and administration.

Bureau Veritas North America, Inc. ("BVNA") has successfully performed construction inspection services for the City of Torrance (Artesia Boulevard Street Improvement, 190th Street Rehabilitation, and the 2005 Curb, Gutter and Sidewalk Replacement Program) and to other local public agencies. BVNA proposes to provide construction inspection services in the amount of \$132,652 for this project. The proposed inspector is the same inspector hired for the successfully completed Artesia Boulevard Street Improvement and the 2005 Curb, Gutter and Sidewalk Replacement

Program. The proposed Contract Services Agreement (Attachment B) will provide the required construction inspection services.

It is anticipated that construction will commence in January 2007 and be completed by November 2007.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director



By Craig Bilezerian
Project Manager

CONCUR:



Robert J. Beste
Public Works Director



LeRoy J. Jackson
City Manager

Attachments: A. Public Works Agreement, Shawnan
B. Contract Services Agreement, Bureau Veritas North America, Inc.

PUBLIC WORKS AGREEMENT

This PUBLIC WORKS AGREEMENT ("Agreement") is made and entered into as of _____, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Shawnan ("CONTRACTOR"), a California S Corporation.

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to construct the Sepulveda Boulevard Rehabilitation and Water Main Replacement, T-48/I-89;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the construction of **Sepulveda Boulevard Rehabilitation, T-48 and Water Main Replacement, I-89 and Large Water Meter And Vault Replacements, I-15**, Notice Inviting Bids No. B2006-40 (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 until June 30, 2008.

3. 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 \$4,227,435.00 ("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

The 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:

Shawn A. Smith, President
James Phillip Pendergist, Vice President
John A. Smith, Secretary

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. Combined single limits of \$2,000,000 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 \$3,000,000 per occurrence, with an annual aggregate of no less than \$5,000,000.

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: SHAWNAN
12240 Woodruff Avenue
Downey, CA 90241

Fax: (562) 803-9955

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

SHAWNAN
a California S Corporation

Frank Scotto, Mayor

By: _____
Shawn A. Smith,
President

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____
Deputy City Attorney

Attachments: Exhibit A: Bid

EXHIBIT A

Bid

[To be attached]

BIDDER'S PROPOSAL

Company: SHAWNAN

B2006-40

Total Bid: _____

PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT
FOR THE CONSTRUCTION OFSEPULVEDA BOULEVARD REHABILITATION, T-48
AND WATER MAIN REPLACEMENT, I-89 AND
LARGE WATER METER AND VAULT REPLACEMENTS, I-15Honorable 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.

SEPULVEDA BOULEVARD REHABILITATION, T-48
AND WATER MAIN REPLACEMENT, I-89

BID SCHEDULE A

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
GENERAL AND CONTRACT ADMINISTRATION					
1	7	EA	CONSTRUCTION SCHEDULE UPDATE	\$ 100. ⁰⁰	\$ 700. ⁰⁰
2	1	LS	PERMIT AND FEES	\$4,000	\$4,000
3	1	LS	SWPPP	\$ 5,000. ⁰⁰	\$ 5,000. ⁰⁰
4	1	LS	MOBILIZATION (5% MAX. OF CONTRACT BID)	\$ 170,000. ⁰⁰	\$ 170,000. ⁰⁰
5	1	LS	TRAFFIC CONTROL	\$353,000. ⁰⁰	\$ 353,000. ⁰⁰

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
6	4	EA	PORTABLE CHANGEABLE MESSAGE SIGN	\$1,700. ⁰⁰	\$6,800. ⁰⁰
REMOVALS AND EXISTING FACILITIES					
7	1	LS	CLEARING AND GRUBING	\$250,000. ⁰⁰	\$250,000. ⁰⁰
8	13	EA	ADJUST MANHOLE FRAME AND COVER TO GRADE	\$700. ⁰⁰	\$9,100. ⁰⁰
9	40	EA	ADJUST VALVE COVER TO GRADE	\$100. ⁰⁰	\$4,000. ⁰⁰
10	306,000	SF	COLD MILL AC PAVEMENT	\$0. ¹⁰	\$30,600. ⁰⁰
11	7,500	SF	REMOVE CONCRETE SIDEWALK AND ACCESS RAMP	\$0. ⁵⁰	\$3,750. ⁰⁰
12	3,600	LF	REMOVE CONCRETE CURB AND GUTTER	\$5. ⁰⁰	\$18,000. ⁰⁰
13	450	LF	REMOVE CONCRETE CURB	\$4. ⁰⁰	\$1,800. ⁰⁰
14	400	SF	REMOVE CONCRETE DRIVEWAY	\$6. ⁰⁰	\$2,400. ⁰⁰
15	22	LF	REMOVE PARTIAL MASONRY BLOCK WALL AT 22303 ANZA AVE	\$70. ⁰⁰	\$1,540. ⁰⁰
16	1	EA	RELOCATE WATER METER ASSEMBLY	\$2,000. ⁰⁰	\$2,000. ⁰⁰
17	9,200	CY	UNCLASSIFIED EXCAVATION	\$30. ⁰⁰	\$276,000. ⁰⁰
18	1	LS	LANDSCAPE AND IRRIGATION REPAIR AND REPLACEMENT	\$5,000. ⁰⁰	\$5,000. ⁰⁰
STREET IMPROVEMENTS					
19	59,000	SF	TYPE II SLURRY SEAL	\$0. ³⁰	\$17,700. ⁰⁰
20	8,200	TON	CRUSHED MISCELLANEOUS BASE (CMB)	\$8. ⁰⁰	\$65,600. ⁰⁰
21	2,700	TON	ASPHALT CONCRETE (C2-AR-4000 OR C2-PG-64-10) BASE COURSE	\$58. ⁰⁰	\$156,600. ⁰⁰
22	6,800	TON	ASPHALT CONCRETE (B-AR-4000 OR B-PG-64-10) BASE COURSE	\$58. ⁰⁰	\$394,400. ⁰⁰
23	6,900	TON	ASPHALT RUBBERIZED HOT MIX (ARHM) SURFACE COURSE	\$66. ⁰⁰	\$455,400. ⁰⁰
24	16,000	SF	DIG-OUTS (5% OF COLD MILL AREA) 12.0" STRUCTURAL SECTION	\$3. ⁰⁰	\$48,000. ⁰⁰

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
25	16,000	SF	DIG-OUTS (5% OF COLD MILL AREA) 14.5" STRUCTURAL SECTION	\$ 3.20	\$ 51,200.00
26	3,600	LF	CONCRETE CURB AND GUTTER A2-150(6) ON 8" CMB	\$ 13.00 12.55	\$ 46,800.00
27	445	LF	CONCRETE CURB A1-150(6) ON 8" CMB	\$ 12.00	\$ 5,340.00
28	3,600	SF	CONCRETE SIDEWALK 4" THICK ON 4" CMB	\$ 7.00	\$ 25,200.00
29	210	SF	CONCRETE SIDEWALK 6" THICK ON 6" CMB	\$ 9.00	\$ 1,890.00
30	50	SF	RECONSTRUCT STAMPED CONCRETE WALKWAY ON 4" CMB	\$ 28.00	\$ 1,400.00
31	320	SF	RECONSTRUCT PAVER STONE PAVING AND BASE	\$ 12.00	\$ 3,840.00
32	1,215	SF	RECONSTRUCT CONCRETE CROSS GUTTER	\$ 7.00	\$ 8,505.00
33	300	SF	CONCRETE DRIVEWAY ON 6" CMB	\$ 9.00	\$ 2,700.00
34	100	LF	AC BERM AT ANZA AVENUE	\$ 10.00	\$ 1,000.00
35	800	SF	CONCRETE ACCESS RAMP ON 4" CMB	\$ 12.00	\$ 9,600.00
36	8	EA	FURNISH AND INSTALL 36"X48" DETECTABLE WARNING SURFACE AT ACCESS RAMPS	\$ 300.00	\$ 2,400.00
37	20	LF	INSTALL 18" RCP	\$ 400.00	\$ 8,000.00
38	1	EA	CONSTRUCT CATCH BASIN, W=7' AND LOCAL DEPRESSION	\$ 11,000.00	\$ 11,000.00
WATER MAIN IMPROVEMENTS					
39	14 17	EA	ABANDON REMOVE FIRE HYDRANT	\$ 500.00	\$ 8,500.00
40	2 20	EA	ABANDON-DETECTOR CHECK-ASSEMBLY ABANDON IN-PLACE WATER VALVES	\$ 500.00	\$ 10,000.00
41	98 50	LF	FURNISH AND INSTALL 4" D.I. PIPE	\$ 65.00	\$ 3,250.00
42	308 500	LF	FURNISH AND INSTALL 6" D.I. PIPE	\$ 70.00	\$ 35,000.00
43	1,039 1,045	LF	FURNISH AND INSTALL 8" D.I. PIPE	\$ 90.00	\$ 94,050.00
44	5,709 5,150	LF	FURNISH AND INSTALL 12" D.I. PIPE	\$ 130.00	\$ 669,500.00

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
25	16,000	SF	DIG-OUTS (5% OF COLD MILL AREA) 14.5" STRUCTURAL SECTION	\$	\$
26	3,600	LF	CONCRETE CURB AND GUTTER A2-150(6) ON 8" CMB	\$	\$
27	445	LF	CONCRETE CURB A1-150(6) ON 8" CMB	\$	\$
28	3,600	SF	CONCRETE SIDEWALK 4" THICK ON 4" CMB	\$	\$
29	210	SF	CONCRETE SIDEWALK 6" THICK ON 6" CMB	\$	\$
30	50	SF	RECONSTRUCT STAMPED CONCRETE WALKWAY ON 4" CMB	\$	\$
31	320	SF	RECONSTRUCT PAVER STONE PAVING AND BASE	\$	\$
32	1,215	SF	RECONSTRUCT CONCRETE CROSS GUTTER	\$	\$
33	300	SF	CONCRETE DRIVEWAY ON 6" CMB	\$	\$
34	100	LF	AC BERM AT ANZA AVENUE	\$	\$
35	800	SF	CONCRETE ACCESS RAMP ON 4" CMB	\$	\$
36	8	EA	FURNISH AND INSTALL 36"X48" DETECTABLE WARNING SURFACE AT ACCESS RAMPS	\$	\$
37	20	LF	INSTALL 18" RCP	\$	\$
38	1	EA	CONSTRUCT CATCH BASIN, W=7' AND LOCAL DEPRESSION	\$	\$
WATER MAIN IMPROVEMENTS					
39	1	EA	ABANDON FIRE HYDRANT	\$	\$
40		EA	ABANDON DETECTOR CHECK ASSEMBLY	\$	\$
41	98	LF	FURNISH AND INSTALL 4" D.I. PIPE	\$	\$
42	308	LF	FURNISH AND INSTALL 6" D.I. PIPE	\$	\$
43	1,039	LF	FURNISH AND INSTALL 8" D.I. PIPE	\$	\$
44	5,709	LF	FURNISH AND INSTALL 12" D.I. PIPE	\$	\$

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
45	4	EA	FURNISH AND INSTALL 4" RW GATE VALVE AND VALVE BOX	\$ 600. ⁰⁰	\$ 2,400. ⁰⁰
46	12 8	EA	FURNISH AND INSTALL 6" RW GATE VALVE AND VALVE BOX	\$ 700. ⁰⁰	\$ 5,600. ⁰⁰
47	18 12	EA	FURNISH AND INSTALL 8" RW GATE VALVE AND VALVE BOX	\$ 900. ⁰⁰	\$ 10,800. ⁰⁰
48	37 23	EA	FURNISH AND INSTALL 12" RW GATE VALVE AND VALVE BOX	\$ 2,000. ⁰⁰	\$ 46,000. ⁰⁰
49	1	LS	FURNISH AND INSTALL CHECK VALVE ASSEMBLY AND VAULT	\$ 20,000. ⁰⁰	\$ 20,000. ⁰⁰
50	15 10	EA	FURNISH AND INSTALL FIRE HYDRANT ASSEMBLY, PER COT STD. DWG T705-3	\$ 7,000. ⁰⁰	\$ 70,000. ⁰⁰
50A	6	EA	FURNISH AND INSTALL FIRE HYDRANT ASSEMBLY, PER COT STD. DWG T706-3	\$ 7,500. ⁰⁰	\$ 45,000. ⁰⁰
51	45 51	EA	FURNISH AND INSTALL WATER METER ASSEMBLY, 3/4" OR 1"	\$ 1,800. ⁰⁰	\$ 91,800. ⁰⁰
51A	2	EA	FURNISH AND INSTALL WATER METER ASSEMBLY, 1-1/2" OR 2"	\$ 2,200. ⁰⁰	\$ 4,400. ⁰⁰
52	1	EA	FURNISH AND INSTALL BLOW-OFF ASSEMBLY	\$ 5,000. ⁰⁰	\$ 5,000. ⁰⁰
53	2 18	EA	FURNISH AND INSTALL DETECTOR CHECK ASSEMBLY ABANDON & CAP PIPE (< 12" DIAM.)	\$ 500. ⁰⁰	\$ 9,000. ⁰⁰
54	4 2	EA	FURNISH AND INSTALL AIR AND VACUUM RELEASE VALVE	\$ 4,000. ⁰⁰	\$ 8,000. ⁰⁰
55	2,600 2,850	SF	PERMANENT TRENCH REPAIR	\$ 3. ⁰⁰	\$ 8,550. ⁰⁰
55A	19	EA	FURNISH & INSTALL CONNECTIONS TO EXISTING MAINS	\$ 400. ⁰⁰	\$ 7,600. ⁰⁰
55B	4,570	CF	SLURRY 12" DIAM. WATER MAIN TO BE ABANDONED	\$ 2. ⁰⁰	\$ 9,140. ⁰⁰
55C	1	EA	REMOVE MANHOLE/VAULT	\$ 4,000. ⁰⁰	\$ 4,000. ⁰⁰
TRAFFIC IMPROVEMENTS					
56	1	LS	TRAFFIC SIGNING, STRIPING, MARKINGS AND PAVEMENT MARKERS	\$ 60,000. ⁰⁰	\$ 60,000. ⁰⁰
57	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT PALOS VERDES BLVD.	\$ 65,000. ⁰⁰	\$ 65,000. ⁰⁰
58	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT ANZA AVE.	\$ 130,000. ⁰⁰	\$ 130,000. ⁰⁰
59	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT OCEAN AVE.	\$ 60,000. ⁰⁰	\$ 60,000. ⁰⁰
60	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT HAWTHORNE BLVD.	\$ 170,000. ⁰⁰	\$ 170,000. ⁰⁰

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
45	4	EA	FURNISH AND INSTALL 4" RW GATE VALVE AND VALVE BOX	\$	\$
46	12	EA	FURNISH AND INSTALL 6" RW GATE VALVE AND VALVE BOX	\$	\$
47	18	EA	FURNISH AND INSTALL 8" RW GATE VALVE AND VALVE BOX	\$	\$
48	37	EA	FURNISH AND INSTALL 12" RW GATE VALVE AND VALVE BOX	\$	\$
49	1	LS	FURNISH AND INSTALL CHECK VALVE ASSEMBLY AND VAULT	\$	\$
50	15	EA	FURNISH AND INSTALL FIRE HYDRANT ASSEMBLY	\$	\$
51	45	EA	FURNISH AND INSTALL WATER METER ASSEMBLY, 3/4" OR 1"	\$	\$
52	1	EA	FURNISH AND INSTALL BLOW-OFF ASSEMBLY	\$	\$
53	2	EA	FURNISH AND INSTALL DETECTOR CHECK ASSEMBLY	\$	\$
54	1	EA	FURNISH AND INSTALL AIR AND VACUUM RELEASE VALVE	\$	\$
55	2,600	SF	PERMANENT TRENCH REPAIR	\$	\$
TRAFFIC IMPROVEMENTS					
56	1	LS	TRAFFIC SIGNING, STRIPING, MARKINGS AND PAVEMENT MARKERS	\$	\$
57	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT PALOS VERDES BLVD.	\$	\$
58	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT ANZA AVE.	\$	\$
59	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT OCEAN AVE.	\$	\$
60	1	LS	MODIFY TRAFFIC SIGNAL ON SEPULVEDA BLVD. AT HAWTHORNE BLVD.	\$	\$

TOTAL SCHEDULE A: BID PRICE \$ 4,112,855.⁰⁰
(Figures)*

TOTAL SCHEDULE A: BID PRICE: Four million one hundred twelve thousand eight hundred fifty five dollars and no cents
(Words)*

LARGE WATER METER AND VAULT REPLACEMENTS, I-15
SCHEDULE B

	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID
1.	1	LS	Furnish and install 8-inch Aboveground Meter Assembly per City Standard T718 (mod) at 2027 Harpers Way (Site No. 2) including traffic control, potholing, valves, piping, fittings, aboveground meter assembly with bypass, removal and disposal of existing meter and meter vault, restoration of existing surface features, including concrete sidewalk, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.	\$ 53,000. ⁰⁰	\$ 53,000. ⁰⁰
2.	1	LS	Furnish & install 6-inch Underground Meter Assembly per City Std T-720 (mod) at 2550 Pacific Coast Hwy (Site # 3) including, traffic control, potholing, valves, piping, fittings, underground meter assembly with bypass, removal & disposal of existing meter & meter vault, removal of existing fire hydrant and installation of new fire hydrant, restoration of existing surface features, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.	\$ 50,000. ⁰⁰	\$ 50,000. ⁰⁰

	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID
3.	1	LS	Furnish and install 8-inch Underground Meter Assembly per City Standard T720 (mod) at 2990 Lomita Boulevard (Site No. 4) including traffic control, potholing, valves, piping, fittings, underground meter assembly with bypass, removal and disposal of existing meter and meter vault, removal of existing fire hydrant and installation of new fire hydrant, restoration of existing surface features, including concrete sidewalk and relocating existing sprinkler, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.	\$ 56,000. ⁰⁰	\$ 56,000. ⁰⁰
4.	1	LS	Furnish and install 8-inch Underground Meter Assembly per City Standard T720 (mod) at 3040-3080 Lomita Boulevard (Site No. 5) including traffic control, potholing, valves piping, fittings, underground meter assembly with bypass, removal and disposal of existing meter and meter vault, restoration of existing surface features, construction of concrete sidewalk, removal of existing sprinkler, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.	\$ 60,000. ⁰⁰	\$ 60,000. ⁰⁰
5.	1	LS	Furnish and install 10-inch Underground Meter Assembly per City Standard T721 (mod) at 3000 Lomita Boulevard (Site No. 6) including traffic control, potholing, valves, piping, fittings, underground meter assembly with bypass, removal and disposal of existing meter and meter vault, restoration of existing surface features, construction of concrete sidewalk, removal of existing fire hydrant and installation of new fire	\$ 64,000. ⁰⁰	\$ 64,000. ⁰⁰

	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID
			hydrant, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.		
6.	1	LS	Furnish and install 10-inch Underground Meter Assembly per City Standard T721 (mod) at 3100 Lomita Boulevard (Site No. 7) including traffic control, potholing, valves, piping, fittings, underground meter assembly with bypass, removal and disposal of existing meter and meter vault, restoration of existing surface features, painting and coating, pressure and disinfection testing, all appurtenances required, for a complete system in accordance with the contract documents.	\$ 60,000. ⁰⁰	\$ 60,000. ⁰⁰

TOTAL SCHEDULE B BID PRICE \$ 343,000.⁰⁰
(Figures)*

TOTAL SCHEDULE B BID PRICE: THREE HUNDRED FORTY THREE THOUSAND
(Words)*

DOLLARS

TOTAL SCHEDULE A + B BID PRICE \$ 4,455,855.⁰⁰
(Figures)*

TOTAL SCHEDULE A + B BID PRICE: \$ Four million four hundred
(Words)*

fifty five thousand eight hundred fifty five dollars and no cents

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

**B2006-40
ADDITIVE BID ITEMS**

Note:

The City may choose to specify the addition of 2.5% latex to the slurry seal for the specified location on the plans and in these specifications. The contractor's bid price per square foot for the addition of this material is \$ 0.22
(Figures)

TWENTY TWO CENTS dollars/square foot.
(Words)

The City may choose to substitute Asphalt Concrete C2-AR4000 (C2-PG-64-10) for Asphalt Rubberized Hot Mix (ARHM) as the Surface Course item at the specified locations on the plans and in these specifications. The contractor's bid price per ton for the substitution of C2-AR4000 (C2-PG-64-10) is \$ 58.00
(Figures)

FIFTY EIGHT DOLLARS dollars/ton.
(Words)

The 5 items in the Table below may, individually or collectively, be included in the contract awarded for this project, if funds are available. The amount listed for each is an estimated allowance and is not necessarily the amount that would be paid to the Contractor. The amount to be paid to the Contractor shall be the actual cost plus markup and based on either a negotiated fee or force account work. The Contractor shall be solely responsible for any fee charged to re-inspect rejected or incomplete work.

ADDITIVE BID ITEMS					
X1	1	LS	INSTALL 200 LINEAR FEET OF NEW 1-1/2" DIAMETER SCHEDULE 80 PVC INTERCONNECT CONDUIT ON SOUTH SIDE OF SEPULVEDA BLVD ALONG NEW EB RIGHT-TURN LANE AT ANZA AVE; REMOVE AND SALVAGE EXISTING CABLE FROM PALOS VERDES BLVD TO ANZA AVE AND INSTALL NEW INTERCONNECT CABLE FROM PALOS VERDES BLVD TO ANZA AVE.	\$8,000	\$8,000

X2	1	LS	INSTALL INTERCONNECT CONDUCTOR IN EXISTING CONDUIT ON SOUTH SIDE OF SEPULVEDA FROM ANZA AVE TO OCEAN AVE.	\$2,500	\$2,500
X3	1	LS	REMOVE EXIST. STRIPING, PAVEMENT MARKINGS, MARKERS AND CROSSWALKS AT ARLINGTON AVE/237 TH INTERSECTION. INSTALL NEW STRIPING, PAVEMENT MARKINGS, MARKERS AND CROSSWALKS. (SEE PLAN SHEET IN PLAN SET)	\$5,400	\$5,400
X4	1	LS	REMOVE EXIST. STRIPING, PAVEMENT MARKINGS AND MARKERS ON LOMITA BLVD, WEST OF CRENSHAW BLVD. INSTALL NEW STRIPING, PAVEMENT MARKINGS AND MARKERS. (SEE PLAN SHEET IN PLAN SET)	\$5,700	\$5,700
X5	1	LS	FURNISH AND INSTALL 4 NEW TRAFFIC SIGNAL POLES AND FOUNDATIONS, 12-INCH LED INDICATORS, 2 PEDESTRIAN INDICATORS AND PUSHBUTTONS, CONDUIT AND CONDUCTOR, STRIPING AND SIGNAGE. REMOVE EXISTING CONFLICTING SIGNAGE.	\$80,000	\$80,000

B2006-40

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.

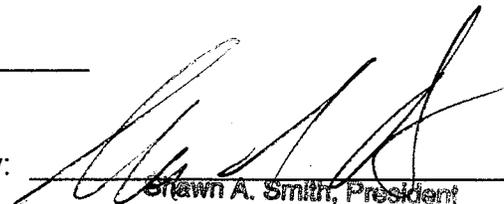
The above unit prices include all work appurtenant to the various items as outlined in the Specifications and all work or expense required for the satisfactory completion of said items. In case of discrepancies between unit prices and totals, the unit prices shall govern.

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.

SHAWNAN

Contractor

Date: **OCT 23 2006**

By:  Shawn A. Smith, President

Contractor's State License

Address: **12240 Woodruff Ave.
Downey, CA 90241**

No. **679962 A & B**

Class **679962 A & B**

Phone: **(562) 803-9977**

ACKNOWLEDGMENT OF ADDENDA RECEIVED – B2006-40

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

Addendum No. 1 X

Addendum No. 2 X

Addendum No. 3 _____

Addendum No. 4 _____

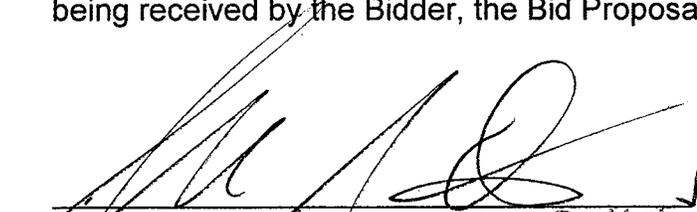
Addendum No. 5 _____

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.


 Bidder's Signature Shawn A. Smith, President

OCT 30 2006
 Date

CITY OF TORRANCE, CALIFORNIA

ADDENDUM NO. 1
 Issued: October 26, 2006

TO

PROPOSAL, SPECIFICATIONS, BOND AND
 AFFIDAVIT FOR THE CONSTRUCTION OF

SEPULVEDA BOULEVARD REHABILITATION, T-48
 AND WATER MAIN REPLACEMENT, I-89
 AND
 LARGE WATER METER AND VAULT REPLACEMENTS, I-15

B2006-40

Please note the following changes and/or additions to the Plans and Specifications for the project indicated above. The bidder shall execute the certification at the end of this addendum, and shall **attach the addendum to the Contract Documents submitted with the Bid**. In addition, the bidder shall fill out and submit the "Acknowledgment of Addenda Received" Form provided in Section C of the Specifications.

1. Refer to Specification Section A - NOTICE INVITING BIDS.

On page A-1, delete the first paragraph in its entirety and replace with the following:

"Notice is hereby given that sealed bids for performing the following described work will be received at the Office of the City Clerk of the City of Torrance, California, **until 2:00 p.m. on Thursday, November 16, 2006**, after which time they will be publicly opened and read at 2:15 p.m. in the Council Chambers of said City:"

2. Refer to Special Provisions Section E - SECTION 315 - SIGNAGE.

On page 117, delete the THIRD paragraph in its entirety and replace with the following:

"All signs shall be of 3M Diamond Grade Cubed, with 1160 protective anti-graffiti overlay film and matched components system warranty (12 years) on 0.080 Aluminum with "Torrance 2007" on the sign border.

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.

SHAWNAN

Bidder


By Shawn A. Smith, President

OCT 30 2006

Date

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

CITY OF TORRANCE, CALIFORNIA

ADDENDUM NO. 2
Issued: November 8, 2006

TO

PROPOSAL, SPECIFICATIONS, BOND AND
AFFIDAVIT FOR THE CONSTRUCTION OF

SEPULVEDA BOULEVARD REHABILITATION, T-48
AND WATER MAIN REPLACEMENT, I-89
AND
LARGE WATER METER AND VAULT REPLACEMENTS, I-15

B2006-40

Please note the following changes and/or additions to the Bidder's Proposal for the project indicated above. The bidder shall execute the certification at the end of this addendum, and shall **attach the addendum to the Contract Documents submitted with the Bid**. In addition, the bidder shall fill out and submit the "Acknowledgment of Addenda Received" Form provided in Section C of the Specifications.

1. Refer to the Bidder's Proposal document on blue-colored paper that is included with the Contract Documents

Please do not complete Pages "C-3" which contains bid items #25 through #44 and "C-4" which contains bid items #45 through #60. Do not remove either page from the packet. Instead please use and complete pages "C-3 (REVISED)" and "C-4 (REVISED)" that are attached to this Addendum. Then insert pages "C-3 (REVISED)" and "C-4 (REVISED)" into the Bidder's Proposal submitted with your bid. The Bidder is hereby informed that there are modifications to bid items #39 - 44, 46 - 48, 51, 53 - 55 and that new bid items #50A, 51A, 55A, 55B, and 55C have been added.

By Order of the City Engineer

/S/ Craig Bilezerian

CRAIG BILEZERIAN
City Engineer

BIDDER'S CERTIFICATION

I acknowledge receipt of the foregoing Addendum No. 2 and accept all conditions contained therein.

SHAWNAN
Bidder


By

NOV 10 2006
Date

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

CONTRACTOR'S AFFIDAVIT

STATE OF CALIFORNIA }
 COUNTY OF LOS ANGELES }

B2006-40

Shawn A. Smith, being first duly sworn, deposes and says:

1. That he is the

President

Title

of

SHAWNAN

(Name of Partnership, Corporation, or Sole Proprietorship)

hereinafter called "Contractor," who has submitted to the City of Torrance a proposal for the Construction of Sepulveda Boulevard Rehabilitation, T-48 and Water Main Replacement, I-89 and Large Water Meter And Vault Replacements, I-15, B2006-40;

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

CONTRACTOR'S AFFIDAVIT (CONTINUED)

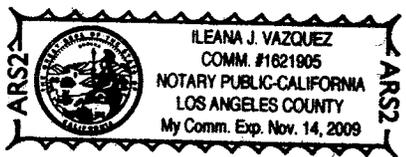
7. That the Contractor did not, directly or indirectly, submit the Contractor's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent 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 23rd day of October, 2006.

Subscribed and Sworn to
before me this 23rd day
of October, 2006.

SHAWNAN
(Contractor)
[Signature]
(Title) Shawn A. Smith, President

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



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: Castogna

License Number: 193324

Address of Office, Mill or Shop: Downey, CA

Specific Description of Sub-Contract: Underground

Name Under Which Subcontractor is Licensed: Martinez Concrete

License Number: 394471

Address of Office, Mill or Shop: Azusa, CA

Specific Description of Sub-Contract: PCC Pour

Name Under Which Subcontractor is Licensed: Orange County Striping

License Number: 346095

Address of Office, Mill or Shop: Orange, CA

Specific Description of Sub-Contract: Striping

Name Under Which Subcontractor is Licensed: CT & F

License Number: 182572

Address of Office, Mill or Shop: Bell Gardens, CA

Specific Description of Sub-Contract: Electrical

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.

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: _____

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Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Specific Description of Sub-Contract: _____

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.

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: _____

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): SEE ATTACHED
 Address: _____
 Contact Person: _____ Telephone No.: _____
 Title of Project: _____
 Project Location: _____
 Date of Completion: _____ Contract Amount: \$ _____
2. Name (Firm/Agency): SEE ATTACHED
 Address: _____
 Contact Person: _____ Telephone No.: _____
 Title of Project: _____
 Project Location: _____
 Date of Completion: _____ Contract Amount: \$ _____
3. Name (Firm/Agency): SEE ATTACHED
 Address: _____
 Contact Person: _____ Telephone No.: _____
 Title of Project: _____
 Project Location: _____
 Date of Completion: _____ Contract Amount: \$ _____
4. Name (Firm/Agency): SEE ATTACHED
 Address: _____
 Contact Person: _____ Telephone No.: _____
 Title of Project: _____
 Project Location: _____
 Date of Completion: _____ Contract Amount: \$ _____

Shawnan

ST. LIC. # 679962
 12240 Woodruff Ave
 Downey, CA 90241

Office 562) 803-9977

Fax 562) 803-9955

STATEMENT OF EXPERIENCE

- | | |
|------------------|--|
| 1. OWNER: | CITY OF TUSTIN |
| ADDRESS: | BAYLEY SLATER P.M.
3730 S. Susan Street
Suite 200
Santa Ana, CA 92704 |
| PHONE #: | 714)540-8863 (714)814-1455 |
| CONTACT: | MARK FLORER |
| PROJECT: | ROBERT ESTREMO
MCAS Backbone
Infrastructure |
| CONTRACT AMOUNT: | \$43,000,000.00 |
| | |
| 2. OWNER: | CITY OF COMPTON |
| ADDRESS: | 205 South Willowbrook Ave.
Compton, CA 90220 |
| PHONE #: | 310) 605-5505 |
| CONTACT: | WILLIAM LEWIS |
| PROJECT: | Willowbrook Pavement,
Sewer & Storm Drain
Rehabilitation |
| CONTRACT AMOUNT: | \$2,741,000.00 |
| | |
| 3. OWNER: | CITY OF ALHAMBRA |
| ADDRESS: | 111 S. First St.
Alhambra, CA 91801 |
| PHONE #: | 951) 265-3543 |
| CONTACT: | AL PAGANI |
| PROJECT: | Valley Blvd Contract |
| CONTRACT AMOUNT: | \$4,900,000.00 |
| | |
| 4. OWNER: | C/O MANHATTAN BEACH |
| ADDRESS: | 1400 Highland Ave
Manhattan Beach, CA 90266 |
| PHONE #: | 310) 802-5358 |
| CONTACT: | ED KOA |
| PROJECT: | 1999-2001 Street Imp Project |
| CONTRACT AMOUNT: | \$905,000.00 |

5. OWNER: CITY OF CHINO
 ADDRESS: 13220 Central Ave
 Chino, CA
 PHONE #: 909) 464-8367
 PROJECT: 2001-2002 Street
 Rehabilitation Projects
 CONTRACT AMOUNT: \$1,850,214.82
6. OWNER: CITY OF LA PUENTE
 ADDRESS: RKA Civil Engineers P.M.
 398 S. Lemon Creel Dr. #E
 Walnut, CA 91789
 PHONE #: 909) 594-9702
 CONTACT: DOMINIC MILANO
 PROJECT: Nelson Avenue
 CONTRACT AMOUNT: \$309,700.00
7. OWNER: CITY OF LAKEWOOD
 ADDRESS: 5050 Clark Avenue
 Lakewood, CA 90712
 PHONE #: 562) 866-9771 ext. 2502
 CONTACT: MAX WITHROW
 PROJECT: Paving Various Streets
 CONTRACT AMOUNT: \$2,000,000.00
8. OWNER: CITY OF LA HABRA
 ADDRESS: 201 E La Habra Blvd
 La Habra, CA 90631
 PHONE #: 310) 525-0678
 CONTACT: CHARLES STEPHAN
 PROJECT: Various Locations
 CONTRACT AMOUNT: \$2,200,000.00
9. OWNER: PORT OF LONG BEACH
 ADDRESS: 925 Harbor Plaza
 Long Beach, CA 90802
 PHONE #: 562) 843-6421
 CONTACT: KEN GALE
 PROJECT: 2004/2005 & 2005/2006
 Annual Equipment and
 Paving Contract
 CONTRACT AMOUNT: \$3,000,000.00

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
SEE ATTACHED	SEE ATTACHED	

Contractor's License No.: 079962 A & B Class: 079962 A & B

a. Date first obtained: November 4, 1993 Expiration November 30, 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> <u>(If Applicable)</u>
<u>Shawn A. Smith</u>	<u>President</u>	_____
<u>James Philip Pendergast, Vice Pres.</u>	<u>James Philip Pendergast, Vice Pres.</u>	_____
<u>JOHN A. SMITH</u>	<u>SECRETARY</u>	_____

Shawnan

ST. LIC. # 679962
 12240 Woodruff Ave
 Downey, CA 90241

Office 562) 803-9977

Fax 562) 803-9955

STATEMENT OF EXPERIENCE

- | | |
|------------------|--|
| 1. OWNER: | CITY OF TUSTIN |
| ADDRESS: | BAYLEY SLATER P.M.
3730 S. Susan Street
Suite 200
Santa Ana, CA 92704 |
| PHONE #: | 714)540-8863 (714)814-1455 |
| CONTACT: | MARK FLORER
ROBERT ESTREMO |
| PROJECT: | MCAS Backbone
Infrastructure |
| CONTRACT AMOUNT: | \$43,000,000.00 |
| | |
| 2. OWNER: | CITY OF COMPTON |
| ADDRESS: | 205 South Willowbrook Ave.
Compton, CA 90220 |
| PHONE #: | 310) 605-5505 |
| CONTACT: | WILLIAM LEWIS |
| PROJECT: | Willowbrook Pavement,
Sewer & Storm Drain
Rehabilitation |
| CONTRACT AMOUNT: | \$2,741,000.00 |
| | |
| 3. OWNER: | CITY OF ALHAMBRA |
| ADDRESS: | 111 S. First St.
Alhambra, CA 91801 |
| PHONE #: | 951) 265-3543 |
| CONTACT: | AL PAGANI |
| PROJECT: | Valley Blvd Contract |
| CONTRACT AMOUNT: | \$4,900,000.00 |
| | |
| 4. OWNER: | C/O MANHATTAN BEACH |
| ADDRESS: | 1400 Highland Ave
Manhattan Beach, CA 90266 |
| PHONE #: | 310) 802-5358 |
| CONTACT: | ED KOA |
| PROJECT: | 1999-2001 Street Imp Project |
| CONTRACT AMOUNT: | \$905,000.00 |

5. OWNER: CITY OF CHINO
 ADDRESS: 13220 Central Ave
 Chino, CA
 PHONE #: 909) 464-8367
 PROJECT: 2001-2002 Street
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 CONTACT: KEN GALE
 PROJECT: 2004/2005 & 2005/2006
 Annual Equipment and
 Paving Contract
 CONTRACT AMOUNT: \$3,000,000.00

DBE**DBE BIDDERS LIST
B2006-40**

All bidders are required to provide the following information for each DBE and non-DBE subcontractor or subconsultant who provided a proposal, bid, quote, or were contacted by the proposed prime bidder. This information is required from the proposed prime bidder 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>SHAWNAN</u>	Phone: <u>(562) 803-9977</u>
Address: <u>12240 Woodruff Ave. Downey, CA 90241</u>	Fax: <u>(562) 803-9956</u>
Contact Person: <u>Shawn A. Smith</u>	No. of years in business: <u>12</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>A/C PAVING</u>	
What was your firm's Gross Annual receipts for last year?	
Less than \$1 Million Less than \$5 Million Less than \$10 Million Less than \$15 Million <u>More than \$15 Million</u>	

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: _____

CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of December 19, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Bureau Veritas North America, Inc., a Delaware Corporation ("CONTRACTOR").

RECITALS:

- A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide construction inspection services for the Sepulveda Boulevard Rehabilitation and Water Main Replacement, T-48/I-89; B2006-40.
- B. CONTRACTOR represents that it is qualified to perform those services.

AGREEMENT:

1. **SERVICES TO BE PERFORMED BY CONTRACTOR**

CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A. CONTRACTOR 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 June 30, 2008.

3. **COMPENSATION**

A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR 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 CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of \$132,652.00 ("Agreement Sum"), unless otherwise first approved in writing by 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 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 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 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, 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 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 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 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**

CONTRACTOR authorizes 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 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 CONTRACTOR's acts or omissions 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, 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 CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**

The 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 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:

K. Dennis Klingelhofer
Gary Heinbuch

9. **INDEPENDENT CONTRACTOR**

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

13. CARE OF WORK

CONTRACTOR 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. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between 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 CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

15. INDEMNIFICATION

CONTRACTOR will indemnify, pay for cost of defense, 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. The obligation to indemnify, pay for cost of defense, 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, but only to the extent covered by CONTRACTOR's negligence, 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 from the sole negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity.

16. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer or employee of 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 and its subcontractors 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, \$500,000 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. Workers' Compensation with limits as required by the State of California and Employer's Liability with limits of at least \$1,000,000.

B. The insurance provided by CONTRACTOR 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. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, 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

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 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 CONTRACTOR 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 CONTRACTOR 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:

CONTRACTOR Bureau Veritas North America, Inc.
 2001 East First Street
 Santa Ana, CA 92705-4020

Fax: (714) 667-1071

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 CONTRACTOR without the prior written consent of the other.

22. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of 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

Bureau Veritas North America, Inc.
a Delaware Corporation

Frank Scotto, Mayor

By: _____
K. Dennis Klingelhofer
Regional Chief Executive

ATTEST:

Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A Scope of Services
 Exhibit B Compensation Schedule

Revised: 1/30/01

EXHIBIT A
SCOPE OF SERVICES
[To be attached]



RECEIVED

DEC 04 2006

Public Works Department

November 30, 2006

PROPOSAL LETTER

Mr. Craig Bilezarian
Project Manager
CITY OF TORRANCE
20500 Madrona Avenue
Torrance, CA 90503

**Subject : SEPULVEDA BOULEVARD REHABILITATION & WATER MAIN
REPLACEMENT FROM HAWTHORNE BOULEVARD TO THE WEST
CITY LIMIT**

Dear Mr. Bilezarian:

Bureau Veritas appreciates the opportunity to submit this proposal to provide the above-referenced services to the City of Torrance. We understand that we are to provide inspection for the Sepulveda Boulevard Rehabilitation and Water Main replacement from Hawthorne Boulevard to the west City limit. Our Inspector, Mr. Ron Katayama will monitor the progress of these elements to assure compliance with the applicable laws, regulations, plans, and specifications in accordance with the following scope of work:

SCOPE OF WORK

- Familiarization with and review of contract documents.
- Monitoring compliance with plans and specifications.
- Participation in pre-construction meetings and attendance of other meetings and conferences as required.
- Preparation of daily inspection reports.
- Review and recommendations in the processing of payment requests.
- Assistance and recommendations in the processing of change orders.
- Coordination with contractor, City staff, etc.
- Meet with contractor, as necessary, and review proposed work plan.
- Review contractor performance, as required, and discuss discrepancies as they occur.

● Fax (714) 667-1071
cell (619) 297-7526 dennis.klingelhofer@us.bureauveritas.com
An Equal Opportunity Employer

Mr. Craig Bilezarian
 Project Manager
 November 30, 2006
 Page 2

SCOPE OF WORK (CONTINUED)

- Develop "Punch List" items.
- Review items requiring corrective action with contractor and City and monitor corrections made.
- Serve as general liaison between contractor and City.

We have developed a rate of \$82.00 per hour for Construction Management and Inspection Services on this project and if overtime is required we will bill at the regular time and a half rate, with the Cities approval. The rate as indicated is based on 8 hours per day for the construction duration estimated at ten to twelve months. Invoicing of fees will be based on the level of effort actually required to properly administer and inspect the project.

We thank you for the continued opportunity to provide construction inspection and contract administration services to the City of Torrance. Please feel free to contact me with any questions or concerns at (714) 568-7300.

Sincerely,

Bureau Veritas North America



Dennis Klingelhofer
 Regional Chief Executive

Authorization to Proceed:

 Craig Bilezarian, Project Manager

 Date

EXHIBIT B
COMPENSATION SCHEDULE
[To be attached]

**SEPULVEDA BOULEVARD REHABILITATION & WATER MAIN
REPLACEMENT, T-48/I-89**

**COMPENSATION SCHEDULE
BUREAU VERITAS NORTH AMERICA, INC.**

PRE-CONSTRUCTION CONFERENCE	\$ 700.00
CONSTRUCTION PHASE	
WEEKDAYS Construction inspection for 200 working days. (8 hr/day @ \$82/hr)	\$ 131,200.00
Prepare punchlist; review as-builts; project closeout	\$ 752.00
TOTAL OF AGREEMENT:	\$ 132,652.00