Council Meeting
July 24, 2007

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

Members of the Council:

SUBJECT: General Services - Contract Award for Carpet Replacement at the Torrance Cultural Arts Center. Expenditure: $87,633.57

RECOMMENDATION

The General Services Director recommends the City Council:
1) Award a contract with Fred's Carpets Plus for $ 76,203.57 with a 5% contigency of $3,810.
2) Approve a 10% project management fee of $ 7,620.
3) Appropriate $2,593.57 from the Cultural Arts Enterprise Fund to the Carpet Replacement at the Torrance Cultural Arts Center FEAP #555 (B2007-26).

FUNDING Funding is available in FEAP #555 and the balance will be from the Cultural Arts Enterprise Fund.

BACKGROUND

The carpet at the Cultural Arts Center was last replaced in 1999 and is quickly nearing the end of its life span. In addition, these areas are heavily trafficked on an almost daily basis, making replacement necessary to maintain the overall appearance of the facility.

To have a consistent look throughout the center, all the rooms that currently have existing carpet will be replaced with the new carpet as part of the scope of work. This includes; all areas of the Toyota Meeting Hall, James Armstrong Theatre, George Nakano Theatre, Garden Rooms, Children's Art Wing, Facility Operations Office, Cultural Services Office, and the Marketing Manager's office.

ANALYSIS

On June 6, 2007, five prospective bidders attended the job walk for the Carpet Replacement at the Torrance Cultural Arts Center, and staff received the following three bids at the bid opening held on June 28, 2007.

Fred's Carpets Plus	$ 76,203.57
ProSpectra Contract Flooring	$ 97,900.00
V.T.P. Inc.	$ 102,500.00

8D

The carpet specified for this project has a backing which is made up of 50% recycled material and the adhesive used is CRI (Carpet and Rug Institute) Green label plus approved. Green Label Plus is an independent testing program that identifies carpet with very low emissions of VOCs (Volatile Organic Compounds) to help improve indoor air quality.

Carpet systems that meet or exceed CRI's Green Label or Green Label Plus programs can contribute one full Indoor Environmental Quality Credit to the LEED ratings of the U.S. Green Building Council.

Staff has worked with Fred's Carpets Plus on several carpet replacement projects and are satisfied with the level of service provided.

Therefore, the General Services Director recommends the City Council award a contract to Fred's Carpets Plus with a 5% contingency of $ 3,810 for carpet replacement at the Torrance Cultural Arts Center and approve a 10% project management fee of $ 7,620 and appropriate $2,593.57 from the Cultural Arts Enterprise Fund.

Respectfully submitted,

SHERYL BALLEW
General Services Director

By Jon Landis
Facility Services Manager

CONCUR:

Sheryl Ballew
General Services Director

LeRoy J. Jackson
City Manager

Attachment A: Fred's Carpets Plus Contract

Attachment A

CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of July 24, 2007("Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Fred Butler and Son Carpet Company, DBA Fred's Carpets Plus, a California Corporation.

RECITALS:

A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to furnish all labor, materials, tools, equipment and incidentals in accordance with the specifications prepared by Bentley Prince Street and the City of Torrance for the carpet replacement at various locations throughout the Cultural Arts Center;

B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for Carpet Replacement at the Torrance Cultural Arts Center, Notice Inviting Bids No. **2007-26** (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 General Services 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 one year 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 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 $76,203.57 ("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 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 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

Tom Kelly, Facility Services Coordinator 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:

Michael Hornstra

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 $2,000,000 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 insured 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 insured 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. Addresses for purpose of giving notice are as follows:

CONTRACTOR:	Fred Butler & Son Carpet Company, DBA Fred's Carpet's Plus 2153 Torrance Blvd. Torrance, CA 90501
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 non-defaulting 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

Fred Butler and Son Carpet Company, DBA Fred's Carpets Plus

A California Corporation

By:

_____

Frank Scotto, Mayor

Michael Hornstra, Vice President

ATTEST:

_____

Sue Herbers, City Clerk

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

By:

_____

Heather K. Whitham,
Deputy City Attorney

Attachments: Exhibit A Bid

EXHIBIT A

Bid

CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

BID NO. B2007-26

Bid for Carpet Replacement at the Torrance Cultural Arts Center

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SECTION III BID PROPOSAL

FAILURE TO COMPLETE ALL ITEMS IN THIS SECTION MAY INVALIDATE BID.

In accordance with your "Invitation to Bid," the following bid proposal is submitted to the City of Torrance.

Bid Proposal Submitted By:

Fred's Carpets Plus
Name of Company

2153 Torrance Blvd
Address

Torrance CA 90501
City/State/Zip Code

Michael J Hornstra VP
Printed Name/Title

310 533 8133 310 533 4098
Telephone Number/Fax Number

Form of Business Organization:

Please indicate the following (check one);

Corporation X Partnership _____ Sole Proprietorship _____

If incorporated, what state: CA

Federal Tax ID # 953069061

Business History:

How long have you been in business under your current name and form of business organization?

50 years

If less than three (3) years and your company was in business under a different name, what was that name?

_____

_____

Contractor's License No.: 575943 **Class:** C15

a. Date first obtained: _____

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: _____

Contact for Additional Information:

Please provide the name of the individual at your company to contact for any additional information

Michael Hornstra
Name

VP
Title

310.5338133
Telephone Number/Fax Number

Addenda Received:

Please indicate addenda information you have received regarding this bid:

Addendum No. 1 Date Received: 6/21/07
Addendum No. ____ Date Received: _____
Addendum No. ____ Date Received: _____

1 No Addenda received regarding this bid.

ADDENDUM #1

CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

BID NO. B2007-26

Bid for Carpet Replacement at the Torrance Cultural Arts Center

ADDENDUM # 1

THE FOLLOWING CHANGES ARE HEREBY INCORPORATED INTO AND MADE A MANDATORY PART OF SUBJECT BID:

ADD: Bidder must provide and install reducers throughout the Cultural Arts Center where needed. Exception is Children's Art Wing, re-use the existing reducer in the Children's Art Wing only if undamaged during work.

ADD: Stair nosing required on steps in Technical Booth at the James Armstrong Theatre.

CLARIFY: Children's Art Wing, bidder will be required to replace the cove base only in area where the carpet will be replaced.

CLARIFY: The City of Torrance will move the sound and lighting equipment in the Technical booth at the Theatre. Loose or personal items left on desks will be boxed by City staff but moved by bidder. The City of Torrance will remove the one partition located at the Cultural Services Offices and the City of Torrance will be responsible for moving the computer equipment. All other furniture, equipment and miscellaneous items not listed above are the responsibility of the bidder.

CLARIFY: Due to the use of the facility at the time of the project, the City of Torrance will work with the awarded bidder with regards to the scheduling of work in the various locations. In other words, although in each of the rooms listed you have a certain amount of time to complete the work, the work for the entire project may not be consecutive days.

By Order Of
Diane Megerdichian
Diane Megerdichian
Business Manager

June 21, 2007

Please return this addendum with your bid proposal.
I hereby acknowledge receipt of this addendum.

Fred's Carpets Plus
Name of Company

2157 Torrance
Address

Torr Ca 90501
City State Zip Code

References:

Please supply the names of companies/agencies for whom you recently supplied comparable goods or services as requested in this BID. Contractor must have at least five years of experience in commercial carpet installation.

City of Torr. — Name of Company/Agency; Address; Dinne — Person to contact/Telephone No.

Shamma Const — Name of Company/Agency; 11255 Rattner — Address; Bill 818 363 2119 — Person to contact/Telephone No.

Muller Company — Name of Company/Agency; 3838 Carson — Address; Lyn 310 316 4290 — Person to contact/Telephone No.

Little Comp Mary — Name of Company/Agency; 4101 Torr. — Address; Ruth Jp 540 7676 — Person to contact/Telephone No.

Bid for Carpet Replacement at the Torrance Cultural Arts Center- Bid B2007-26

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 and Contract Documents, prepared by City of Torrance for the lump sum cost, and bid alternate. The award of contract will be on the base bid.

Item	Description	Prices written in words	Total Bid
1.	Lump Sum Bid per the bid B2007-26 in it's entirety	Seventy Six thousand two hundred three 57/00	$76,203.57

The above bid includes all work appurtenant to the various items as outlined in the specifications and all work or expense required for the satisfactory completion of said item.

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.

Mike Hornby — Contractor Name

[signature] V.P. — Signer's Name and Title

Date: 6/27/07 License No. & Classification 525943 C15

Address: 2153 Torrance Blvd Torrance 90501

ATTACHMENT 1

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

BIDDER'S AFFIDAVIT

Michael J. Hornstra being first duly sworn, deposes and says:

1. That he/~~she~~ is the Vice-President (Title of Office) of Fred's Carpets Plus (Name of Company)

   hereinafter called "Bidder", who has submitted to the City of Torrance a bid for

   Carpet Replacement at Torrance Cultural Arts Center
   (Bid Title)

2. That the bid proposal is genuine; that all statements of fact in the bid proposal are true;

3. That the bid was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;

4. That the Bidder 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 his bid, to raise or fix the bid price of the Bidder or of anyone else, or to raise or fix any overhead, profit or cost element of the Bidder'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 Bidder has not in any other 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 Bidder 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 Bidder from considering any bid from any subcontractor or materialman, which is not processed through that 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;

7. That the Bidder did not, directly or indirectly, submit the Bidder's proposal 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 Bidder in its business.

8. That the Bidder has not been debarred from participation in any state, federal or public works project.

Dated this 28th day of June, 20 07.

(Bidder Signature)

(Title)

Subcribed and Sworn by Michael J. Hornstra on June 28th 2007 and proved to me on the basis of satisfactory evidence to be the person who appeared before me.

EVELYN G. BLAKE
Commission # 1663968
Notary Public - California
Los Angeles County
My Comm. Expires May 21, 2010

Evelyn G. Blake-Notary Public