

Council Meeting of
August 5, 2008

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

Members of the Council:

SUBJECT: Public Works – Award a Public Works Agreement and a Contract Services Agreement for the 190th Street Rehabilitation (west City limit to Hawthorne Boulevard), T-49. Expenditure: \$ 969,425.71.

RECOMMENDATION

Recommendation of the Public Works Director that City Council:

1. Approve the plans and specifications for the 190th Street Rehabilitation (west City limit to Hawthorne Boulevard), T-49 (B2008-23); and
2. Accept the error in the total bid price of lowest bidder, Security Paving Company, Inc. that was corrected from \$869,329.25 to \$869,929.25, and agreed upon by bidder; and
3. Award a Public Works Agreement to Security Paving Company, Inc. in the amount of \$869,929.25 and authorize a 5% contingency in the amount of \$43,496.46 for the 190th Street Rehabilitation (west City limit to Hawthorne Boulevard), T-49; and
4. Award a Contract Services Agreement in the amount of \$56,000 to Bureau Veritas North America, Inc. to perform construction inspection services for this project.

Funding

Funding for the Public Works Agreement, 5% contingency and the Contract Services Agreement is available from CIP project T-49.

BACKGROUND AND ANALYSIS

The 190th Street Rehabilitation (west City limit to Hawthorne Boulevard) is included in the adopted Capital Budget as project T-49 (“T-49 Project”). Improvements include pavement reconstruction and overlay; replacement of displaced concrete curbs, gutters and sidewalk; and installation of curb ramps that are compliant with the

Americans with Disabilities Act (“ADA”) on the south side of 190th Street within the project limits. The north side of 190th Street between Hawthorne Boulevard and our west city limit is owned by the City of Redondo Beach and they completed a pavement rehabilitation of the north side of 190th Street last year.

The T-49 Project was advertised for bid in June 2008 as B2008-23. Eleven (11) bids were received and opened on June 26, 2008 with the following results:

	<u>BIDDER</u>	<u>TOTAL BID</u>
1.	Security Paving Company, Inc.	\$ 869,929.25
2.	Sully-Miller Contracting Co.	\$ 887,100.00
3.	Alliance Streetworks, Inc.	\$ 925,462.50
4.	All American Asphalt	\$ 979,644.00
5.	PALP, Inc.	\$ 997,397.50
6.	Elite Bobcat Service, Inc.	\$ 1,015,000.00
7.	Shawnan	\$ 1,025,786.25
8.	Doty Bros. Construction Co.	\$ 1,065,256.00
9.	Hardy & Harper, Inc.	\$ 1,129,174.00
10.	Imperial Paving Company	\$ 1,229,960.00
11.	Silvia Construction, Inc.	\$ 1,235,209.00

The Engineer's estimate for the total bid was between \$975,000 and \$1,060,000.

Security Paving Company, Inc. (“Security Paving”) was the apparent lowest bidder. However, a subsequent review of Security Paving’s bid identified a minor mathematical error (irregularity) that affected their total bid price. Per the project specification, when a mathematical error occurs, the unit prices shall govern. Staff recalculated Security Paving’s bid and determined their actual total bid price increased from \$869,329.25 to \$869,929.25, an increase of \$600. Although there was a small increase to Security Paving’s total bid price, they remained the lowest, responsible bidder. Security Paving was notified of the error and accepted the corrected total bid price. It should be noted that the City Council can waive any irregularity in such bids. This mathematical error is considered an irregularity and the Public Works Director recommends that the City Council waive the irregularity and accept the error in Security Paving’s bid.

Security Paving Company, Inc. has successfully completed similar types of projects. 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 Security Paving Company, Inc.

Contract Services Agreement: Bureau Veritas North America, Inc.

Construction of this project will require full-time construction inspection services on weekdays and on some Saturdays. Bureau Veritas North America, Inc. ("BVNA") has successfully performed construction inspection services for the City of Torrance (Sepulveda Boulevard Rehabilitation, Artesia Boulevard Street Improvement, and several other projects) and to other local public agencies. BVNA proposes to provide construction inspection services in the amount of \$56,000 for this project. The proposed construction inspector is the same inspector hired for other successfully completed projects. The proposed Contract Services Agreement (Attachment B) will provide the required construction inspection services for this project. Public Works Engineering staff will perform construction management and administration.

It is anticipated that construction will commence in September 2008 and be completed by November 2008.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director

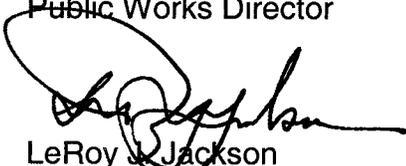


By Craig Bilezerian
Engineering Manager

CONCUR:



Robert J. Beste
Public Works Director



LeRoy Jackson
City Manager

- Attachments: A. Public Works Agreement, Security Paving Company, Inc.
B. Contract Services Agreement, Bureau Veritas North America, Inc.

PUBLIC WORKS AGREEMENT

This PUBLIC WORKS AGREEMENT ("Agreement") is made and entered into as of _____, 2008 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Security Paving Company, Inc., a California Corporation ("CONTRACTOR").

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to construct the **190th Street Rehabilitation, T-49**;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the construction of **190th Street Rehabilitation, T-49**, Notice Inviting Bids No. **B2008-23** (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 December 31, 2009.

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 \$869,929.25 ("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:

Joseph Ferndino, Vice-President

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: Security Paving Company, Inc.
P.O. Box 1489
Sun Valley, CA 91353-1489

Fax: (818) 767-3169

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

Security Paving Company, Inc.
a California Corporation

Frank Scotto, Mayor

By: _____
Joseph Ferndino
Vice-President

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A Bid

EXHIBIT A

Bid

[To be attached]

BIDDER'S PROPOSAL

Company: SECURITY PAVING COMPANY, INC.

B2008-23

Total Bid: _____

PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT FOR THE CONSTRUCTION OF 190th STREET REHABILITATION, T-49

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

Members of the Council:

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

190th STREET REHABILITATION

BID SCHEDULE

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
GENERAL ITEMS, REMOVALS & ADJUSTMENTS					
1	1	LS	MOBILIZATION (5% MAX OF CONTRACT BID)	\$ 6500	\$ 6500 ^{.00}
2	1	LS	CONSTRUCTION SURVEY	\$ 7300	\$ 7300 ^{.00}
3	1	LS	CLEARING AND GRUBBING	\$ 3000	\$ 3000 ^{.00}
4	1,400	LF	REMOVE PCC CURB & GUTTER	\$ 7 ^{.00}	\$ 9800 ^{.00}
5	2,550	SF	REMOVE PCC SIDEWALK & ACCESS RAMP	\$ 4 ^{.00}	\$ 10,200 ^{.00}
6	175	SF	REMOVE PCC CROSS GUTTER	\$ 12 ^{.00}	\$ 2,100 ^{.00}

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
7	1,975	CY	UNCLASSIFIED EXCAVATION	\$ 26. ⁰⁰	\$ 51,350. ⁰⁰
8	177,500	SF	COLD MILL (1.5 INCHES THICK)	\$ 0. ¹⁷	\$ 30,125. ⁰⁰
STREET IMPROVEMENTS					
9	2,600	TON	CONSTRUCT ASPHALT CONCRETE (C2-PG-64-10) SURFACE COURSE	\$ 100 ⁻	\$ 260,000 ⁻
10	1,050	TON	CONSTRUCT ASPHALT CONCRETE (B-PG-64-10) BASE COURSE	\$ 107 ⁻	\$ 112,350 ⁻
11	175	SF	CONSTRUCT CROSS GUTTER PER SPPWC STD. PLAN 122-1	\$ 15. ²⁵	\$ 2,668. ⁷⁵
12	1,900	TON	CRUSHED MISCELLANEOUS BASE (CMB)	\$ 18. ⁰⁰	\$ 34,200. ⁰⁰
13	480	SF	CONSTRUCT 3.5" PCC SIDEWALK ON 4" CMB	\$ 7. ¹⁰	\$ 3,408. ⁰⁰
14	190	LF	CONSTRUCT 8" GUTTER-IN-KIND, ON 8" CMB	\$ 22. ⁰⁰	\$ 4,180. ⁰⁰
15	1050	LF	CONSTRUCT 8" PCC CURB AND GUTTER, A2-200(8) ON 8" CMB	\$ 26. ⁰⁰	\$ 27,300. ⁰⁰
16	2,200	SF	CONSTRUCT PCC CURB RAMP, CALTRANS STD A88A, ON 4"CMB (12 EA)	\$ 8. ¹⁵	\$ 17,930. ⁰⁰
17	26,625	SF	DIG-OUTS (15% OF COLD MILL AREA) 15.5" STRUCTURAL SECTION	\$ 7. ⁵⁰	\$ 199,687. ⁵⁰
18	2	EA	36" x 48" DETECTABLE WARNING SURFACE AT ACCESS RAMPS	\$ 590. ⁰⁰	\$ 1,180. ⁰⁰
19	10	EA	36" x 60" DETECTABLE WARNING SURFACE AT ACCESS RAMPS	\$ 735. ⁰⁰	\$ 7,350. ⁰⁰
20	6,500	LF	CRACK SEALING	\$ 0. ⁶⁰	\$ 3,900. ⁰⁰
21	45	CY	PCC REPAIR (5% OF PCC AREA) 8" THICK W/DOWELING	\$ 750. ⁰⁰	\$ 33,750. ⁰⁰
TRAFFIC SIGNAL IMPROVEMENTS, STRIPING AND PAVEMENT MARKINGS					
22	1	LS	PAVEMENT DELINEATION (STRIPING), MARKINGS, LEGENDS & REFLECTIVE PAVEMENT MARKINGS	\$ 20,600. ⁻	\$ 20,600. ⁻
23	1	LS	TRAFFIC CONTROL	\$ 10,000. ⁻	\$ 10,000. ⁻

Item No.	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
24	1	LS	INSTALL INDUCTIVE TRAFFIC SIGNAL LOOP DETECTORS	\$ 11,000	\$ 11,000.00

TOTAL BID PRICE: \$ 869,329.²⁵
 (Figures)*

TOTAL BID PRICE: EIGHT HUNDRED SIXTY NINE THOUSAND THREE HUNDRED TWENTY
 (Words)*
NINE DOLLARS AND TWENTY FIVE CENTS.

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

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.

SECURITY PAVING COMPANY, INC.
 Contractor

Date: JUNE 26, 2008

By: 
JOSEPH FERNDINO, VICE PRESIDENT

Contractor's State License No. 116307 Class: A C12

Address: 9050 NORRIS AVE., PO BOX 1489, SUN VALLEY, CA 91353-1489

Phone: 818 767-8418

CONTRACTOR'S AFFIDAVIT (Continued)

B2008-23

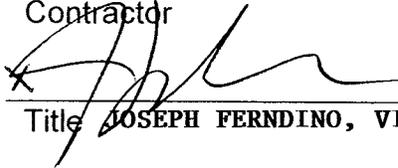
- 7. That the Contractor did not, directly or indirectly, submit the Contractor's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent 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 26TH day of JUNE, 20 08.

Subscribed and Sworn to before me this _____ day of _____, 20_____.

SECURITY PAVING COMPANY, INC,

Contractor



Title JOSEPH FERNDINO, VICE PRESIDENT

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of LOS ANGELES

On 6/26/08 before me, KEELY M. EDWARDS, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer

personally appeared JOSEPH FERNDINO
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~s~~ whose name~~s~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~s~~ on the instrument the person~~s~~, or the entity upon behalf of which the person~~s~~ acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal
Signature Keely M Edwards
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

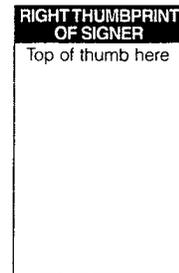
Signer's Name: JOSEPH FERNDINO

- Individual
- Corporate Officer — Title(s): VICE PRESIDENT
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

SECURITY PAVING COMPANY, INC.

Signer Is Representing: _____

LIST OF SUBCONTRACTORS

B2008-23

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: GLOBAL ROAD SEALING.

License Number: 757584

Address of Office, Mill or Shop: 6341 KLAMATH DR. WESTMINSTER CA 92683

Specific Description of Sub-Contract: CRACKSEAL AND TRAFFIC LOOPS.

Name Under Which Subcontractor is Licensed: CASE LAND SURVEY

License Number: L5411

Address of Office, Mill or Shop: 6214 N. ECKHOFF STREET ORANGE CA 92868

Specific Description of Sub-Contract: SURVEY.

Name Under Which Subcontractor is Licensed: SUPERIOR PAVEMENT MARKINGS

License Number: 776306

Address of Office, Mill or Shop: 44658 INDUSTRY CIRCLE, LA MIRADA CA. 90638

Specific Description of Sub-Contract: STRIPING.

Name Under Which Subcontractor is Licensed: JNS STRIPING

License Number: 538211

Address of Office, Mill or Shop: 10715 BLOOMFIELD AVE. SANTA FE SPRINGS

Specific Description of Sub-Contract: STRIPING

AM CONCRETE INC.
446850 9050 NORRIS AVE SUN VALLEY, CONCRETE.

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

B2008-23

List work similar in magnitude and degree of difficulty completed by the Contractor within the past three (3) years.

1. Name (Firm/Agency): CALTRANS CONTRACT #07-104954
 Address: 13171 TELFAIR AVE., STE 101, SYLMAR, CA 91342
 Contact Person: FRED YOUNG Telephone No.: 805 857-7067
 Title of Project: RT. 101 FROM CALLEGUAS CREEK TO WEST OF ARNEILL ROAD
 Project Location: HWY 101 IN CAMARILLO AT VARIOUS LOCATIONS
 Date of Completion: 6-27-06 Contract Amount: \$ 20,684,908

2. Name (Firm/Agency): COUNTY OF VENTURA SPEC. #RD06-11, PROJ. #50413
 Address: 800 S. VICTORIA AVENUE, VENTURA, CA 93009
 Contact Person: RAJ CHIKKIAH Telephone No.: 805 654-2018
 Title of Project: PAVEMENT REHABILITATION 2006 HIGH PRIORITY ROADS
 Project Location: LOOP DR., MOUNTAIN RD., BALCOM CYN. BROADWAY & GRIMES CYN.
COUNTY OF VENTURA
 Date of Completion: 3-13-08 Contract Amount: \$2,513,831

3. Name (Firm/Agency): COUNTY OF LOS ANGELES PROJ. #RDC0014382
 Address: PO BOX 1460, ALHAMBRA, CA 91802
 Contact Person: ISSA ADAWIYA Telephone No.: 626 458-5100
 Title of Project: SLOAN CANYON ROAD
 Project Location: SLOAN CANYON ROAD, CASTAIC
 Date of Completion: 10-22-07 Contract Amount: \$ 654,254

4. Name (Firm/Agency): CITY OF SANTA CLARITA CONTRACT #M0046 & M0049
 Address: 23920 VALENCIA BLVD., #300, SANTA CLARITA, CA 91355-2196
 Contact Person: CURTIS NAY Telephone No.: 661 286-4135
 Title of Project: 2006-06 ANNUAL OVERLAY & SLURRY SEAL PROJECT
 Project Location: VARIOUS LOCATIONS, SANTA CLARITA
 Date of Completion: 11-15-07 Contract Amount: \$ 7,306,572

REFERENCES (Continued)

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"		

Contractor's License No.: 116307 Class: A C12

a. Date first obtained: 12/24/1949 Expiration: 03/31/2010

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):

NAME	TITLE (If Applicable)	LICENSE NO.
<u>ALBERT MATTIVI</u>	<u>PRESIDENT</u>	<u>116307 A C12</u>
<u>THOMAS J. MATTIVI</u>	<u>SECRETARY-TREASURER</u>	<u>116307 A C12</u>
<u>MICHAEL MATTIVI</u>	<u>VICE PRESIDENT</u>	<u>116307 A C12</u>
<u>JOSEPH FERNDINO</u>	<u>VICE PRESIDENT</u>	<u>116307 A C12</u>

SECURITY PAVING COMPANY, INC.
P.O. Box 1489
SUN VALLEY, CALIFORNIA 91353-1489
(818) 767-8418
FAX (818) 767-3169

Certification and Statement of Bidder's Experience and Qualifications

<u>PROJECT</u>	<u>OWNER</u>	<u>PHONE NUMBER</u>	<u>PROJECT MANAGER</u>	<u>AMOUNT</u>	<u>DATE OF COMP</u>
New LA Ave Bridge Widening at Arroyo Simi Bridge	City of Moorpark 799 Moorpark Ave. Moorpark, CA 93021	(805) 529-6864 Kenneth Gilbert	Joe Ferndino	\$ 1,694,973.00	3/25/2002
2001-02 Annual Overlay Program Project #M0020	City of Santa Clarita 23920 Valencia Blvd., #300 Santa Clarita, CA 91355-2196	(661) 286-4135 Curtis Nay	Joe Ferndino	\$ 3,637,038.03	4/22/2003
Hwy 1, Ventura County in Oxnard #07-117044	Caltrans 1525 Rancho Conejo, Ste. 102 Thousand Oaks, CA 91320	(805) 857-7067 Fred Young	Joe Ferndino	\$ 30,433,222.23	6/24/2004
S-94-9 Flynn Road	City of Camarillo 601 Carmen Drive Camarillo, CA 93010	(805) 388-5345 Sonny Murillo	Joe Ferndino	\$ 3,184,630.95	6/14/2000
2001-02 Annual St. Resurf. Program Spec. #2916R	City of Glendale 633 E. Broadway, Rm. 205 Glendale, CA 91206-4388	(818) 548-3945 Sam Mody	Joe Ferndino	\$ 945,846.41	6/6/2003
Rice Avenue Extension Spec. RD02-03	County of Ventura 800 S. Victoria Ave. Ventura, CA 93009	(805) 654-2058 Gary Newton	Joe Ferndino	\$ 3,131,339.10	7/15/2004
Proj. FCC0000702, Puente Creek Repair Access Roads	County of Los Angeles PO Box 1460 Alhambra, CA 91802-1460	(626) 458-3122 Issa Adawiya	Joe Ferndino	\$ 1,243,109.14	5/24/2005


Joseph Ferndino, Vice President

Security Paving Company, Inc.

GENERAL ENGINEERING CONTRACTOR

CONTRACTOR'S LIC. #116307 - A, C12

P O Box 1489, Sun Valley, Ca 91353-1489

Phone: (818) 767-8418/(323) 875-1089 Fax: (818) 767-3169

"CERTIFICATION AND STATEMENT OF BIDDER'S EXPERIENCE & QUALIFICATIONS"

SUPERINTENDENT EXPERIENCE

SECURITY PAVING COMPANY, INC. HAS BEEN BIDDING STREET IMPROVEMENT WORK, NEW AND RECONSTRUCTION, AS A GENERAL CONTRACTOR FOR OVER 50 YEARS. OUR PROJECT SUPERINTENDENTS HAVE COMPLETE AUTHORITY TO MAKE DECISIONS PERTAINING TO THE PROJECT THEY ARE OVERSEEING. THEY ARE EXPERIENCED IN ALL ASPECTS OF STREET WORK, REMOVALS, GRINDING, EXCAVATING AND PAVING--PROJECTS RANGING FROM \$500,000 TO \$60,000,000. WE DO SOME PRIVATE DEVELOPMENT WORK, BUT MOST OF THE WORK WE DO IS FOR PUBLIC AGENCIES SUCH AS:

COUNTY OF LOS ANGELES, DEPT. OF PUBLIC WORKS
STATE OF CALIFORNIA, DEPT. OF TRANSPORTATION
CITY OF CAMARILLO
CITY OF MOORPARK
CITY OF VERNON
CITY OF SANTA CLARITA
CITY OF GLENDALE
CITY OF LANCASTER

OUR PROJECT SUPERINTENDENTS ARE AS FOLLOWS:

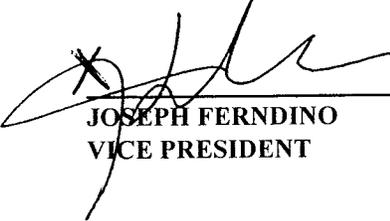
ALBERT MATTIVI, CORPORATE PRESIDENT AND MANAGER
EXPERIENCE SINCE 1963

THOMAS J. MATTIVI, CORPORATE SECRETARY-TREASURER
EXPERIENCE SINCE 1963

TONY J. MATTIVI
EXPERIENCE SINCE 1981

MICHAEL L. MATTIVI, CORPORATE ASSISTANT SECRETARY
EXPERIENCE SINCE 1991

CHRIS C. YEAGER
EXPERIENCE SINCE 1986



JOSEPH FERNDINO
VICE PRESIDENT

DBE BIDDER LIST

B2008-23

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>SECURITY PAVING COMPANY, INC.</u>	Phone: <u>818 767-8418</u>
Address: <u>PO BOX 1489, SUN VALLEY, CA 91353-1489</u>	Fax: <u>818 767-3169</u>
Contact Person: <u>JOSEPH FERNDINO</u>	No. of years in business: <u>61</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>GENERAL ENGINEERING CONTRACTOR</u>	
What was your firm's Gross Annual receipts for last year?	
<p style="text-align: center;"> Less than \$1 Million Less than \$5 Million Less than \$10 Million Less than \$15 Million (X) More than \$15 Million </p>	

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

DBE BIDDER LIST

B2008-23

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>GLOBAL ROAD SEALING</u>	Phone: <u>714-893-0845</u>
Address: <u>6341 Klamath Dr. Westminster</u>	Fax: <u>714-893-0945</u>
Contact Person: <u>TRU LA</u>	No. of years in business: <u>9</u>
Is the firm currently certified as a DBE under 49 CFR Part 26: YES: <input checked="" type="checkbox"/> NO: <input type="checkbox"/>	
Type of work/services/materials provided by firm? <u>TRAFFIC LIGHTS, CRACK FILLING</u>	
What was your firm's Gross Annual receipts for last year? Less than \$1 Million <input checked="" type="radio"/> Less than \$5 Million Less than \$10 Million Less than \$15 Million More than \$15 Million	

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DBE BIDDER LIST

B2008-23

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Firm Name: <u>CASELAND SURVEY</u> Phone: <u>714-628-8948</u>
Address: <u>614 N. ECKHOFF STREET, ORANGE</u> Fax: <u>714-628-8905</u>
Contact Person: <u>KAREN</u> No. of years in business: <u>22</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>SURVEY.</u>
What was your firm's Gross Annual receipts for last year?
<p>Less than \$1 Million Less than \$5 Million Less than \$10 Million Less than \$15 Million More than \$15 Million</p>

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DBE BIDDER LIST

B2008-23

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>SUPERIOR PAVEMENT MARKINGS</u> Phone: <u>714-562-9100</u> Address: <u>14658 Industry Circle La Mirada</u> Fax: <u>714-562-9400</u> Contact Person: <u>Daven</u> No. of years in business: <u>3</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>STRIPING</u>
What was your firm's Gross Annual receipts for last year? Less than \$1 Million <u>Less than \$5 Million</u> Less than \$10 Million Less than \$15 Million More than \$15 Million

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

DBE BIDDER LIST

B2008-23

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>AM CONCRETE</u>	Phone: <u>818.767.4767</u>
Address: <u>P.O. BOX 579 SUN VALLEY</u>	Fax: <u>818.768.7228</u>
Contact Person: <u>JOE F.</u>	No. of years in business: <u>28</u>
Is the firm currently certified as a DBE under 49 CFR Part 26: YES: <input type="checkbox"/> NO: <input checked="" type="checkbox"/>	
Type of work/services/materials provided by firm? <u>CONCRETE</u>	
What was your firm's Gross Annual receipts for last year?	
<p style="text-align: center;"> Less than \$1 Million Less than \$5 Million <u>Less than \$10 Million</u> Less than \$15 Million More than \$15 Million </p>	

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

DBE BIDDER LIST

B2008-23

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>PCI</u>	Phone: <u>562-218-0504 x114</u>
Address: <u>1105 E. Hill Street Long Beach.</u>	Fax: <u>562-218-0634</u>
Contact Person: <u>JAME.</u>	No. of years in business: <u>14</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>STRIPING</u>	
What was your firm's Gross Annual receipts for last year?	
<p style="text-align: center;"> <input type="checkbox"/> Less than \$1 Million <input checked="" type="checkbox"/> Less than \$5 Million <input type="checkbox"/> Less than \$10 Million <input type="checkbox"/> Less than \$15 Million <input type="checkbox"/> More than \$15 Million </p>	

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

VIOLATIONS OF FEDERAL, STATE OR LOCAL LAWS

B2008-23

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

B2008-23

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 of 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 _____, 2008 (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 190th Street Rehabilitation, T-49; B2008-23.
- 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 December 31, 2009.

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 \$56,000 ("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, 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 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. 1181 California Avenue, Suite 202 Corona, CA 92881
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Fax: (951) 493-1061

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



EXHIBIT A

2 July 2008

Ms. Davina Buenavista
Associate Engineer
City of Torrance
Public Works Department
20500 Madrona Avenue
Torrance, CA 90503

Dear Davina,

As you requested, I am following up with this letter requesting Bureau Veritas would perform inspection services for the City of Torrance's 190th Street Rehabilitation Project; contract T-49 and Ron Katayama will be used as your Project Inspector. Ron's billable rate is \$89.75 per hour, including vehicle usage and mileage. This project has a 75 working day (15 week) duration. With this being known, the approximate amount of the new contract would be \$57,900.00. This will be invoiced on a Time and Material basis. Please see attached Exhibit A; Scope of Services and Exhibit B; Compensation Schedule.

I also understand the City will issue Bureau Veritas a new contract for this work. If this new contract could be executed as soon as possible, when Ron starts this new project all the necessary paperwork will be in order. If you could send me a draft copy so I may pass it on for execution, I would greatly appreciate it.

I also want to thank you for the opportunity for Bureau Veritas to keep performing our services and representing you on your projects. I feel we have a good relationship and would very much like it to continue.

Please use this letter as a formal request to draft and execute a new contract between the City of Torrance and Bureau Veritas. Also, please call me at 951-840-5920 to discuss the upcoming process and if there is anything additional you require from me.

Sincerely,

Gary Heinbuch

Bureau Veritas
Regional Director of Construction

Bureau Veritas North America, Inc.

1181 California Avenue, Suite 202
Corona, CA 92881

Main: (951) 493-1060

Fax: (951) 493-1061

www.us.bureauveritas.com

**EXHIBIT A****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.
- 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

EXHIBIT B
COMPENSATION SCHEDULE

190TH STREET REHABILITATION, T-49

COMPENSATION SCHEDULE

BUREAU VERITAS NORTH AMERICA, INC.

PRE-CONSTRUCTION CONFERENCE	\$ 900.00
CONSTRUCTION PHASE	
WEEKDAYS	
Construction inspection for 75 working days. (8 hr/day @ \$89.75/hr)	\$ 53,850.00
Prepare punch list; review as-builts; project closeout	\$ 1,250.00
TOTAL OF AGREEMENT:	\$ 56,000.00