

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

Members of the Council:

**SUBJECT: General Services- Contract for Torrance Park Restroom Restoration.
Expenditure: \$ 168,668**

RECOMMENDATION

Recommendation of the General Services Director that the City Council:

- 1) Accept the bid withdrawal from Let's Build It, Inc.
- 2) Reject the bids from Sturgeon General Inc. as non-responsible and non-responsive and Hana Tech Construction as non-responsible.
- 3) Award a contract to Action Contractors, Inc. for \$142, 320 with a 5% contingency of \$ 7,116 for the Torrance Park Restroom Restoration (FEAP 677).
- 4) Approve \$5,000 for inspection services and 10% project management fee of \$ 14,232.

FUNDING Funding is available in the Torrance Park Restroom Restoration FEAP 677.

BACKGROUND/ANAYLSIS

On October 31, 2007, the east restroom building in Torrance Park was damaged by vandals who set fire to the building. The fire caused major damage to the men's restroom and the wooden roof of the building, with minor damage done to the utility room that contains both the plumbing and electrical connections.

Project funding was approved in May 2008, design completed and staff formally bid the project (B2008-60) and received the following bids.

| | |
|--------------------------|------------|
| Let's Build It, Inc. | \$ 98,625* |
| Sturgeon General | \$ 121,000 |
| Hana Tech Construction | \$ 133,760 |
| Action Contractors, Inc. | \$ 142,320 |
| Caltec Corporation | \$ 142,895 |
| DCL Construction | \$ 159,000 |
| Castle Construction | \$ 163,000 |
| L.A. Builders, Inc. | \$ 185,555 |

* Let's Build It, Inc. withdrew their bid due to clerical errors (Attachment A).

Staff is recommending City Council reject the bid from Sturgeon General, Inc. as non-responsible. The Torrance Municipal Code (T.M.C.) Section 22.1.4 states the lowest responsible bidder will be determined after consideration of the following factors: (f) the previous and existing compliance by the bidder with laws and ordinances relating to the type of work to be performed under the contract.

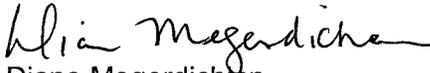
According to the contractor's state license board, Sturgeon General, Inc. may have their license suspended at a future date for failure to comply with one or more provisions of law (Attachment B). Staff is also recommending City Council deem Sturgeon General Inc. non-responsible for providing an incomplete bid, they did not include references, and did not acknowledge addendum #1 and #2 by including with their bid. A copy of the bid is available in the City Clerk's office for review.

The Notice Inviting Bids (N.I.B.) states the bidder must have five years experience with projects of a similar size and scope (Attachment C). According to the Contractor's State License Board Hana Tech Construction obtained their license in September 2007 (Attachment D). Staff recommends the City Council deem Hana Tech Construction non-responsible per the T.M.C. Section 22.1.4 e) which states, "The competence, reputation and record of performance and experience of the bidder for the successful recent completion of similar work of comparable magnitude" is one of many factors taken into consideration for the lowest responsible bidder.

Action Contractors, Inc. has done work with the City of Torrance in the past, and we have been satisfied with their level of service, therefore the General Services Director recommends awarding a contract to Action Contractors, Inc. for \$ 142,320 with 5% contingency and 10% project management and concur with staff recommendation to reject the bids from Sturgeon General Inc. and Hana Tech Construction and accept the bid withdrawal from Let's Build It, Inc.

Respectfully submitted,

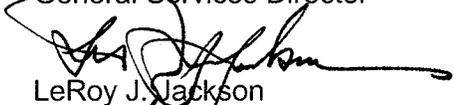
SHERYL BALLEW
General Services Director


By Diane Megerdichian
Business Manager

CONCUR:



Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager

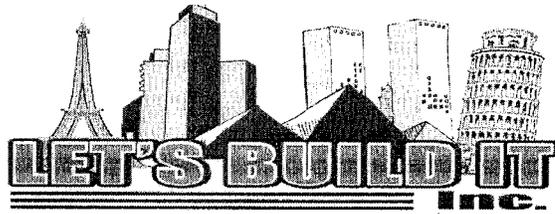
Attachment A: Let's Build It Inc. Bid Withdrawal Letter

Attachment B: Contractor's State License Board Information on Sturgeon General Inc.

Attachment C: Notice Inviting Bids

Attachment D: Contractor's State License Board Information on Hana Tech Construction

Attachment E: Action Contractor's Inc. Contract Agreement



1-877-BUILD 13

28453

5400 Lindley AVE, SUITE 216

Encino, CA 91316

info@letsbuilditinc.com

November 4, 2008

City of Torrance
3031 Torrance Blvd
Torrance, CA 90503

Re: Torrance Park Restroom Restoration- Bid Withdrawal
B 2008-60

Dear Dian,

This is to inform the City of Torrance that Let's Build It, Inc. will be withdrawing its bid for the Torrance Park Restroom Restoration Project. Due to an unfortunate clerical error, Lets Build It, Inc. will not be able to perform the work at the price that was given at the time if the bidding. We hope to bid with the City of Torrance in the future.

Sincerely,



Omri Zecharia
President

Department of Consumer Affairs
Contractors State License Board

Contractor's License Detail - License # 565716

 **DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.**

- CSLB complaint disclosure is restricted by law (B&P 7124.6). If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.
- Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number: 565716 **Extract Date:** 12/02/2008

STURGEON GENERAL INC

Business Information: 2519 WOODLAND DRIVE
 ANAHEIM, CA 92801

Business Phone Number: (714) 995-9800

Entity: Corporation

Issue Date: 04/21/1989

Reissue Date: 01/30/2004

Expire Date: 01/31/2010

License Status: This license is current and active. **All information below should be reviewed.**

Additional Status: The license may be suspended at a future date for failure to comply with one or more provisions of law.

| CLASS | DESCRIPTION |
|-------|--|
| A | GENERAL ENGINEERING CONTRACTOR |
| B | GENERAL BUILDING CONTRACTOR |
| C10 | ELECTRICAL |
| C33 | PAINTING AND DECORATING |
| C21 | BUILDING MOVING, DEMOLITION |
| C20 | WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING |
| C36 | PLUMBING |

| CERT | DESCRIPTION |
|------|--|
| ASB | ASBESTOS - (for bidding purposes only) |
| HAZ | HAZARDOUS SUBSTANCES REMOVAL |

CONTRACTOR'S BOND

This license filed Contractor's Bond number **GCL1244707** in the amount of **\$12,500** with

the bonding company
OLD REPUBLIC SURETY COMPANY.

Effective Date: 01/01/2007

Contractor's Bonding History

Bonding:

BOND OF QUALIFYING INDIVIDUAL

The Responsible Managing Officer (RMO) MICHAEL EDWARD STURGEON certified that he/she owns 10 percent or more of the voting stock/equity of the corporation. A bond of qualifying individual is **not** required.

1.

Effective Date: 04/17/2008

BQI's Bonding History

This license is exempt from having workers compensation insurance; they certified that they have no employees at this time.

Workers' Compensation:

Effective Date: 10/17/2008

Expire Date: None

Workers' Compensation History

Miscellaneous

Information:

| DATE | DESCRIPTION |
|------------|------------------------------------|
| 01/30/2004 | LICENSE REISSUED TO ANOTHER ENTITY |

Personnel listed on this license (current or disassociated) are listed on other licenses.



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**CITY OF TORRANCE
CALIFORNIA**

NOTICE INVITING BIDS

Notice is hereby given that sealed proposals for performing the following described work will be received at the office of the City Clerk of the City of Torrance, California, until **2:00 p.m. on Thursday, October 30, 2008**, after which time they will be publicly opened and read at 2:15 p.m. in the Council Chambers of said City:

**TORRANCE PARK RESTROOM RESTORATION
B2008-60**

Plans, Specifications and form of Proposal may be obtained at the City Clerk's Office, City Hall, 3031 Torrance Boulevard, Torrance, California, (310/781-7530), upon payment of \$25 if picked up at City Hall, or payment of \$35 if requested by mail. Both amounts include tax. Neither amount is refundable. If requesting by mail, please send check payable to the City of Torrance to the following:

**City Clerk's Office
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90503**

There will be a mandatory pre-bid conference held on **Wednesday, October 8, 2008 at 10:00 a.m.** commencing at Torrance Park, located 2500 Arlington Avenue, Torrance, CA 90501. The City of Torrance may consider the bidder as non-responsive if the bidder does not attend the mandatory pre-bid conference.

Bids are required for the entire work described herein.

Bidder must have a valid "B" General Building Contractor's License
Must have 5 years experience in projects of similar size and scope

The Torrance City Council reserves the right to reject any and all bids and to waive any informality in such bids.

No Facsimile Bids shall be accepted by the City.

By order of the City Council of the City of Torrance, California.

Department of Consumer Affairs
Contractors State License Board

Contractor's License Detail - License # 903316

 **DISCLAIMER:** A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- CSLB complaint disclosure is restricted by law (B&P 7124.6). If this entity is subject to public complaint disclosure, a link for complaint disclosure will appear below. Click on the link or button to obtain complaint and/or legal action information.
- Per B&P 7071.17, only construction related civil judgments reported to the CSLB are disclosed.
- Arbitrations are not listed unless the contractor fails to comply with the terms of the arbitration.
- Due to workload, there may be relevant information that has not yet been entered onto the Board's license database.

License Number: 903316 **Extract Date:** 12/02/2008
HANA TECH CONSTRUCTION

Business Information: 23736 MONUMENT CANYON DRIVE
DIAMOND BAR, CA 91765
Business Phone Number: (213) 703-5506

Entity: Sole Ownership

Issue Date: 09/11/2007 ←

Expire Date: 09/30/2009

License Status: This license is current and active. All information below should be reviewed.

Classifications:

| CLASS | DESCRIPTION |
|-------|-----------------------------|
| B | GENERAL BUILDING CONTRACTOR |

Bonding: CONTRACTOR'S BOND
This license filed Contractor's Bond number 100031282 in the amount of \$12,500 with the bonding company
AMERICAN CONTRACTORS INDEMNITY COMPANY.
Effective Date: 08/24/2007

Workers' Compensation: This license has workers compensation insurance with the STATE COMPENSATION INSURANCE FUND
Policy Number: 238-0001184
Effective Date: 09/24/2008
Expire Date: 09/01/2009
[Workers' Compensation History](#)



CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of December 9, 2008, by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Action Contractors Inc., 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 plans and specifications prepared for the City of Torrance by GA Design and Architecture and Planning;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the Torrance Park Restroom, Notice Inviting Bids No. **2008-60** (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 Effective Date.

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 \$142,320 ("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 Project 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:

Dennis Moreau
Walt Sprowl

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 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.

Addresses for purpose of giving notice are as follows:

CONTRACTOR: Action Contractors inc.
 17111 S. Broadway
 Gardena, CA 90248

 (310) 515-3806

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

Action Contractors Inc.
A California Corporation

Frank Scotto, Mayor

By: _____
Walt Sprowl
Project Manager

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
B 2008-60

Company: ACTION CONTRACTORS
 Base Bid: \$143,380⁰⁰

TORRANCE PARK RESTROOM RESTORATION

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 GA Design Architecture and Planning for the lump sum bid as set forth in the following schedules.

| Item | Description | Prices written in words | Total Bid |
|------|---|--|---|
| 1. | Base Bid per bid B2008-60 in its entirety | ONE HUNDRED FORTY THOUSAND ^{TWO} THOUSAND THREE HUNDRED DOLLARS ^{TWENTY} DOLLARS | \$142,320 ^{lump} \$143,380 |

Assignment of Contractor's values:

| Item | Description | Total Amount |
|-------------|----------------------------------|--|
| Division 01 | General Requirements: | \$23,591- |
| Division 02 | Site Work: | 2,309- ^{lump} |
| Division 03 | Concrete: | 9,233- |
| Division 04 | Masonry: | 27,865- ^{lump} 27,245 |
| Division 05 | Metals: | 36,954- |
| Division 06 | Wood and Plastics: | 2,605- |
| Division 07 | Thermal and Moisture Protection: | 19,375- |
| Division 08 | Doors and Windows: | 5,958- |
| Division 09 | Finishes: | 6,595- |
| Division 10 | Specialties: | 949- |
| Division 11 | Equipment: | 0- |
| Division 12 | Furnishings: | 0- |
| Division 13 | Special Construction: | 0- |

CONTRACTOR'S AFFIDAVIT (CONTINUED)

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

Dated this 30th day of OCTOBER, 2008.

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

James Marshall
(Contractor)
Pres.
(Title)

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

Jurat

State of California

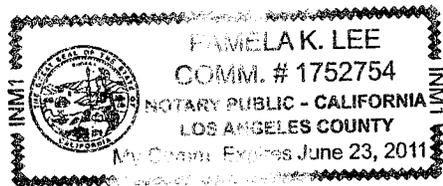
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 30 day of October,
2008 by Dennis Moreau

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]
Signature

(Notary seal)



OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

The wording of all Jurats completed in California after January 1, 2008 must be in the form as set forth within this Jurat. There are no exceptions. If a Jurat to be completed does not follow this form, the notary must correct the verbiage by using a jurat stamp containing the correct wording or attaching a separate jurat form such as this one which does contain proper wording. In addition, the notary must require an oath or affirmation from the document signer regarding the truthfulness of the contents of the document. The document must be signed AFTER the oath or affirmation. If the document was previously signed, it must be re-signed in front of the notary public during the jurat process.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the jurat process is completed.
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different jurat form.
 - ❖ Additional information is not required but could help to ensure this jurat is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
- Securely attach this document to the signed document

DESCRIPTION OF THE ATTACHED DOCUMENT

Contractors Affidavit
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 1 Document Date 10/30/08

(Additional information)

LIST OF SUBCONTRACTORS

Page 1 of 2

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 for Public Works Construction.

Name Under Which Subcontractor is Licensed: A-1 ALL AMERICAN ROOFING CO.

License Number: 624945

Address of Office, Mill or Shop: 22029 S. FIGUEROA ST. CARSON, CA 90745

Percentage of Total Contract 89%

Specific Description of Sub-Contract: BUILT-UP ROOF AND RIGID INSULATION

Name Under Which Subcontractor is Licensed: MORRIS ALUMINUM & CANVAS AWNING

License Number: 329615

Address of Office, Mill or Shop: 1321 WEST 135TH STREET GARDENA, CA 90247

Percentage of Total Contract _____

Specific Description of Sub-Contract: METAL ROOF STRUCTURE AND PARAPET WALLS

Name Under Which Subcontractor is Licensed: SEAL-IT AMERICAN BLACKTOP

License Number: 656969

Address of Office, Mill or Shop: 415 30TH STREET NEWPORT BEACH, CA 92663

Percentage of Total Contract 5%

Specific Description of Sub-Contract: REMOVAL AND REPLACEMENT OF EXTERIOR
CONCRETE WALKWAY

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Percentage of Total Contract _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Percentage of Total Contract _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Percentage of Total Contract _____

Specific Description of Sub-Contract: _____

Name Under Which Subcontractor is Licensed: _____

License Number: _____

Address of Office, Mill or Shop: _____

Percentage of Total Contract _____

Specific Description of Sub-Contract: _____

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

REFERENCES

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

1. Name (Firm/Agency): Boy's & Girl's Club of La Habra
 Address: 1211 Faringer Way, La Habra, CA 90631
 Contact Person: Mark Chavez Telephone No.: 562 691-2413
 Title of Project: ADA Ramps & 2nd Floor Conversion
 Project Location: Boy's & Girl's Club of La Habra
 Date of Completion 6/07 Contract Amount:\$ 225,000.00
2. Name (Firm/Agency): City of Torrance
 Address: 3031 Torrance Blvd., Torrance, CA 90503
 Contact Person: Tom Kelly Telephone No.: 310 781-7101
 Title of Project: Fire Station #5
 Project Location: 3490 Del Amo Blvd., Torrance
 Date of Completion 8/07 Contract Amount:\$ 459,000.00
3. Name (Firm/Agency): Far East National Bank
 Address: 977 North Broadway, Los Angeles, CA 90012
 Contact Person: Roger Galaz Telephone No.: 213 479-7950
 Title of Project: Pasadena Branch Buildout
 Project Location: 600 South Lake Ave., Pasadena, CA 91106
 Date of Completion 12/07 Contract Amount:\$ 375,000.00
4. Name (Firm/Agency): City of Torrance
 Address: 3031 Torrance Blvd., Torrance, CA 90503
 Contact Person: Tom Kelly Telephone No.: 310 781-7101
 Title of Project: Finance Dept. Renovation
 Project Location: 3031 Torrance Blvd., Torrance, CA 90503
 Date of Completion 10/14/05 Contract Amount:\$ 676,380.00

Bidder's Information

The **bidder** must provide a detailed list of the trades and the description of the work they will perform with their **own company** for this project.

1. PLUMBING - INSTALLATION OF NEW PLUMBING FIXTURES AND DRINKING FOUNTAIN
2. MASONRY - INSTALLATION OF NEW CMU BATHROOM PARTITIONS
3. PAINTING - COMPLETE INTERIOR & EXTERIOR PREPARATION AND PAINT APPLICATION
4. ELECTRICAL - REPAIR TO EXISTING AND INSTALLATION OF NEW LIGHTING FIXTURES
5. CARPENTRY - INSTALLATION OF TWO (2) NEW SKYLIGHTS (USING METAL FRAMING)
6. DEMOLITION - ALL PER PLAN
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____

Contractor's License No.: 652535 Class: B, C10, C36

a. Date first obtained: 8/12/1992

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: _____

Type of entity (check one)

Incorporated Partnership Sole Proprietorship

If incorporated, in what state California

Federal Tax ID Number # 95-4118909

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

| <u>NAME</u> | <u>TITLE</u> | <u>LICENSE NO.</u> <u>(If Applicable)</u> |
|------------------------|-----------------------|--|
| <u>Dennis Moreau</u> | <u>CEO/RMO/Pres..</u> | _____ |
| <u>Patricia Moreau</u> | <u>Vice Pres.</u> | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

| |
|--------------------|
| ADDENDUM #1 |
|--------------------|

**CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503**

BID NO. B2008-60

Bid for Torrance Park Restroom Restoration

ADDENDUM # 1

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

BID OPENING REMAINS: THURSDAY, October 30, 2008

- CLARIFY:** Existing concrete walkway/sidewalk adjacent to building shall be demolished and re-constructed in compliance with Accessibility Notes and Construction Notes on Plan (Ref: Sheet A-0-2, Sheet A-2.0).
- CLARIFY:** The City of Torrance Project Manual shall take precedence over GA Design specifications. Architectural drawings will be used to determine location and any specifications not covered by project manual.
- CLARIFY:** Ref: A-2.0, A-4.0 and D-01- Hi-Lo ADA Drinking Fountain- HAWS 1109, Mounting Plate: 6700
- DELETE:** Remove anti-graffiti Coating requirement from scope of work.
- CLARIFY:** Grab Bars: 1-1/4 inches diameter by 18 gage stainless steel tubing, of size and configuration indicated. Ends shall be screwed to 11 gage stainless steel wall plate, with snaplock cover flanges. Grab bars over 36 inches in length shall be furnished with stainless steel support at mid point. Exposed stainless steel to be 180 grit satin finish. ASI 3700 series, Tubular Specialties Manufacturing, Inc. series Q-CS-1, or equal.
- CLARIFY:** New lighting to replace existing lighting. New lighting is on a time clock. Use existing electrical system. Replace any electrical wire or components due to fire damage.
- CLARIFY:** **Question:** The block partition walls that are to be removed were the walls in place when the slab was poured or is the block sitting on top of the slab? **Answer:** See Detail 10/D.0-1 for existing conditions (SIM).
- ADD:** Attached is additional information on the Zurn flush valves (2 pages).

October 23, 2008

Please return this addendum with your bid proposal.

I hereby acknowledge receipt of this addendum.

ACTION CONTRACTORS, INC.
Name of Company

1711 SOUTH BROADWAY STREET
Address

GARDENA CA 90248
City State Zip Code

ADDENDUM #2

CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

BID NO. B2008-60

Bid for Torrance Park Restroom Restoration

ADDENDUM #2

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

BID OPENING REMAINS: THURSDAY, October 30, 2008

DELETE: Delete soap dispenser, toilet seat cover, waste receptacle, and paper towel holder from scope of work.

CLARIFY: The Dead Bolt Lock specified in the project manual (Schlage Model B660) will be installed instead of the Panic hardware specified in the GA Design Plans.

October 24, 2008

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

ACTION CONTRACTORS INC.
Name of Company

17111 SOUTH BROADWAY STREET
Address

GARDENA CA 90248
City State Zip Code