Council Meeting of
June 13, 2006

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

Members of the Council:

SUBJECT: Award of Public Works Agreement to All American Asphalt; Contracting Services Agreements to Bureau Veritas/Berryman & Henigar, Inc. for Construction Inspection Services and to Labelle-Marvin for materials testing and paving compaction testing services; and a Second Amendment to Contract Services Agreement with West Coast Arborists, all for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88

Expenditure: $ 3,975,275

RECOMMENDATION

The Public Works Director recommends that the City Council:

1. Appropriate additional Water Enterprise funds in the amount of $350,000 to the Kent/Galva Water Main Replacement, I-88; and

2. Approve the plans and specifications for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88 (B2006-12); and

3. Award a Public Works Agreement to All American Asphalt in the amount of $3,624,862.44 and authorize a 5% contingency in the amount of 181,242.56 for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88 (B2006-12); and

4. Award a Contract Services Agreement in the amount of $79,080 to Bureau Veritas/Berryman & Henigar, Inc. to perform construction inspection services for this project; and

5. Award a Contract Services Agreement to Labelle-Marvin, Inc. in the amount of $58,090 to perform materials testing and paving compaction testing services for this project; and

6. Approve the Second Amendment to Contract Services Agreement C2004-173 in the amount of $32,000 to a new not-to-exceed amount of $472,000 with West Coast Arborists, Inc. of Anaheim, California to include tree removal and planting services for this project in the existing Agreement; and

7. Authorize the Mayor to execute and City Clerk to attest to said Public Works Agreement, two Contract Services Agreements, and Second Amendment.

Funding

Funding for the Public Works Agreement and 5% contingency, two Contract Services Agreements and Second Amendment is available from previously appropriated I-1 Bond proceeds and Gas Tax funds; I-5 Bond proceeds, General, Water and Sewer funds; I-6 Gas Tax funds; I-88 Water funds; and from the FY2007-11 Residential Street Rehabilitation [Gas Tax funds ($21,300) and Proposition 42 ($350,000)] as approved in the 2007-11 Capital Budget. Although a small portion ($371,300) of the total funding will not be available until July 1, 2006, the total expenditures to be incurred prior to July 1, 2006 will not exceed available funding.

BACKGROUND AND ANALYSIS

The Residential Curb, Gutter and Sidewalk Program, I-1; Residential Street Rehabilitation, I-5; Residential Slurry Seal, I-6; and Kent/Galva Water Main Replacement, I-88 are all approved CIP projects included in the adopted FY 2005-09 Capital budget. Although they all are individual CIP projects, portions of each have been combined for cost effectiveness, to minimize construction impacts to residents, and for efficiency with project/construction management efforts. The combined project is called the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88 ("I-5/I-88 Program") and is shown in Attachment A.

The I-5/I-88 Program was advertised for bid in March 2006 as B2006-12. Five bids were received and opened on April 27, 2006 with the following results:

BIDDER	TOTAL BID
1. All American Asphalt	$3,624,862.44
2. Sequel Contracting	$3,675,141.11
3. Sully-Miller Contracting	$3,714,511.84
4. Copp Contracting	$4,020,657.65
5. Excel Paving	$5,344,135.91

The Engineer's estimate for the Total Bid was approximately $3,400,000. The bids are higher than the Engineer's estimate due to the continued volatility of construction costs. However, the three lowest bids are reasonably close and their respective unit bid prices are within the range of similar projects bid throughout the LA County area.

All American Asphalt was the apparent lowest bidder. All American Asphalt has successfully completed projects of similar type. The firm's references and contractor's license have been checked and found to be in order. Therefore, the Public Works Director recommends that Council award the Public Works Agreement (Attachment B) to All American Asphalt.

Contract Services Agreement: Bureau Veritas/Berryman & Henigar

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

Bureau Veritas/Berryman & Henigar, Inc. (BV/B&H) has successfully performed construction inspection services for the City of Torrance (Artesia Boulevard Street Improvement, Ocean Avenue Rehabilitation, 190th Street Rehabilitation and the 2005 Curb, Gutter and Sidewalk Replacement Program) and to other local public agencies. BV/B&H proposes to provide construction inspection services in the amount of $79,080 for this project. The proposed Inspector is the same Inspector hired for the successfully completed Artesia Boulevard Street Improvement and the 2005 Curb, Gutter and Sidewalk Replacement Program. The proposed Contract Services Agreement (Attachment C) will provide the required construction inspection services.

Contract Services Agreement: Labelle-Marvin

Construction of this project requires materials testing and paving compaction testing services as a part of our quality control effort. These services have been performed by a qualified consultant for many city roadway construction projects, including the Artesia Boulevard Street Improvement, Ocean Avenue Rehabilitation, 190th Street Rehabilitation, Newton/Madison Street Improvements, Carson Street Rehabilitation and other projects.

Labelle-Marvin proposes to provide materials testing and paving inspection services in the amount of $58,090. Labelle-Marvin has successfully performed similar services for the City of Torrance and to other local public agencies. The proposed Contract Services Agreement (Attachment D) will provide the required materials testing and paving inspection services.

Second Amendment to Contract Services Agreement: West Coast Arborists

On September 14, 2004, the City Council awarded a Contract Services Agreement (C2004-173) in the amount of $140,000 to West Coast Arborists, Inc. of Anaheim, California to furnish all labor, materials, and equipment required for tree and/or stump removal, tree planting and tree trimming on an as needed basis at various locations throughout the City for a period of three years.

On November 16, 2004, the City Council approved the First Amendment to said Agreement in the amount of $300,000 to provide additional similar services with a focus of removing trees causing damage to curbs, gutters and sidewalks and then replanting new trees. The Agreement was increased to a total of $440,000; however, the three-year term remained unchanged and will expire in September 2007. West Coast Arborists continues to perform satisfactory work at cost-effective prices. It should be noted that their services are currently utilized only in areas <u>not</u> included in Capital projects and the Agreement is administered and funded by the Public Works Department – Streetscape Division.

The Public Works Department – Engineering Division manages Capital projects that include the removal of trees that have damaged curbs, gutters and sidewalks. New trees (15-gallon) are planted at the end of construction. All work is performed under a Public Works Agreement with a general contractor. As with all previous Capital projects, the general

contractor hires a subcontractor to remove and replace trees because it's a minor aspect of the overall construction, it requires specialized equipment and is easier to schedule and coordinate the work. However, this significantly increases the city's cost for tree removal and replanting and has prompted Engineering staff to explore a less-costly alternative.

The Public Works Department – Engineering Division recently completed the Residential Curb, Gutter and Sidewalk Replacement, I-1. The cost for each tree removal was $500 and the cost to replant each new 15-gallon tree was $230. West Coast Arborist's current rate for each tree removal is $220 ($280 less) and the cost to replant each 15-gallon tree is $85.00 ($145 less). The cost comparison reveals that if the City separately contracts with West Coast Arborists, there will be a significant cost savings (more than 50%) for tree removal and tree replanting for each Capital project. Therefore, it is recommended to amend (Attachment E) the Agreement with West Coast Arborists to provide additional funds for the removal and replanting of trees for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88. Although additional staff time is required to administer a separate contract, the overall benefit is that the cost savings provides additional funds for needed curb, gutter and sidewalk repairs.

It is anticipated that construction will commence in July 2006 and be completed by December 2006.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director

By
Craig Bilezerian
Project Manager

CONCUR:

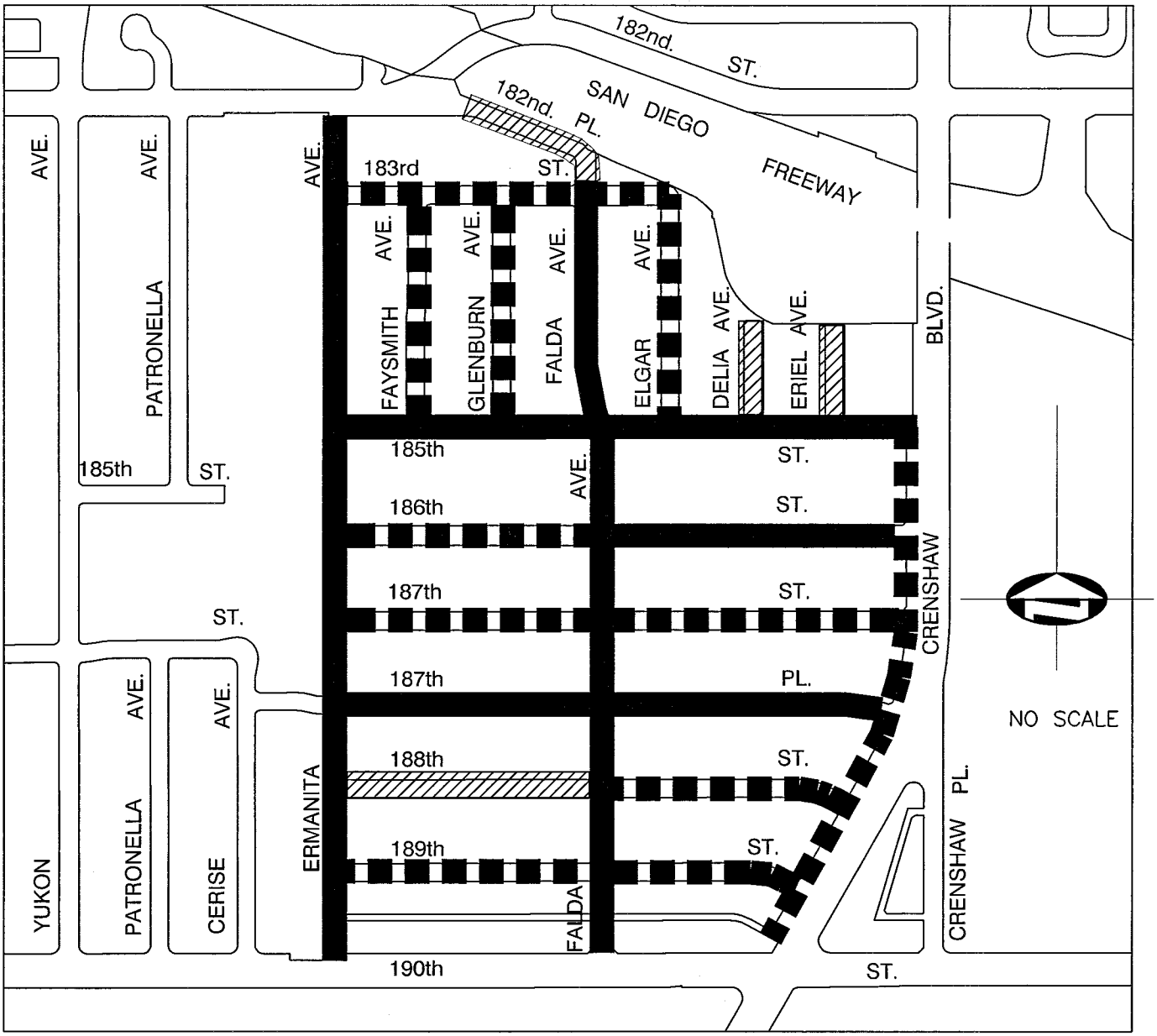
Robert J. Beste
Public Works Director

LeRoy J. Jackson
City Manager

Attachments:
A. Location Maps
B. Public Works Agreement, All American Asphalt
C. Contract Services Agreement – Bureau Veritas/Berryman & Henigar
D. Contract Services Agreement – Labelle-Marvin
E. Second Amendment – West Coast Arborists

ATTACHMENT A
1 OF 2

RESIDENTIAL STREET REHABILITATION, I-5 & RESIDENTIAL SLURRY SEAL, I-6 NORTH TORRANCE



LEGEND

RECONSTRUCTION & OVERLAY (I–5 PROGRAM)

CAPE SEAL (I–6 PROGRAM)

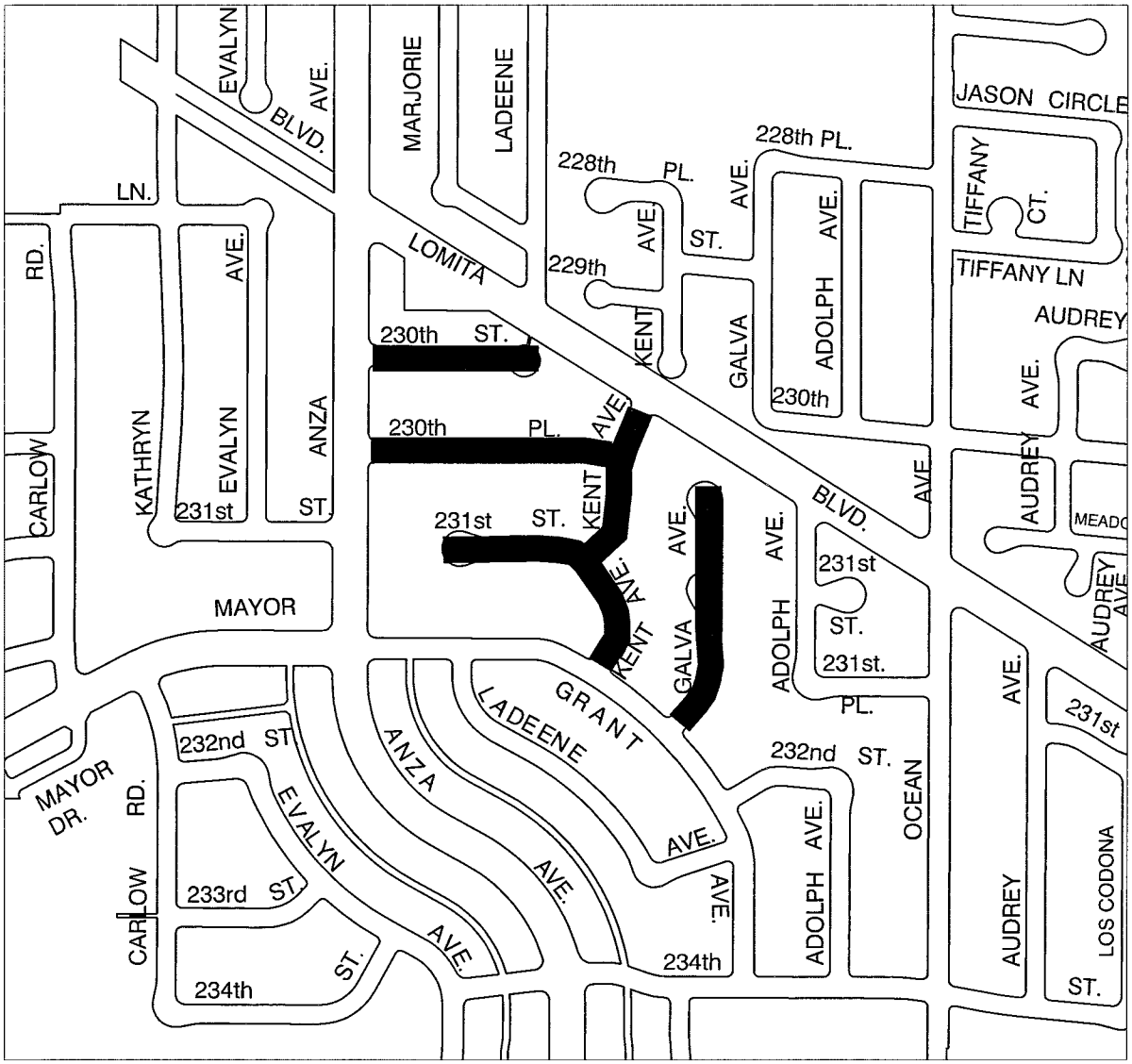
SLURRY SEAL (I–6 PROGRAM)

NOTE: CURB, GUTTER AND SIDEWALK REPAIRS TO BE PERFORMED UNDER I–1 PROGRAM

StreetReh_prop2 (2–9–05)

ATTACHMENT A
2 OF 2

RESIDENTIAL STREET REHABILITATION, I-5
AND
KENT/GALVA WATER MAIN REPLACEMENT, I-88



LEGEND

WATER MAIN REPLACEMENT AND
STREET RECONSTRUCTION & OVERLAY

NO SCALE

StreetReh_prop (11-23-04)

ATTACHMENT B

PUBLIC WORKS AGREEMENT

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

RECITALS:

A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to construct the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88;

B. In order to obtain the desired services, the CITY has circulated a Notice Inviting Bids for the construction of North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation & Water Main Replacement, I-5/I-88, Notice Inviting Bids No. B2006-12 (the "NIB"); and

C. CONTRACTOR has submitted a Bid (the "Bid") in response to the NIB. CONTRACTOR represents that it is qualified to perform those services requested in the Plans and Specifications. Based upon its review of all Bids submitted in response to the NIB, the CITY is willing to award the contract to CONTRACTOR.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONTRACTOR

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

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect for one year from the 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

$3,624,862.44 ("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:

Tom Toscas, Controller
Mark Luer, 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: All American Asphalt
P.O.Box 2229

Corona,CA 92878-2229

Fax: (951) 736-7646

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

All American Asphalt,
A California Corporation

_____
Dan Walker, Mayor

By: _____
Tom Toscas, Controller

ATTEST:

_____
Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____
Name
Title

Attachment: Exhibit A: Bid

EXHIBIT A

Bid

BIDDER'S PROPOSAL

Company: All American Asphalt

B2006-12

Total Bid: $ 3,552,552.00

PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT FOR THE CONSTRUCTION OF

NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5 AND KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88

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.

NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5 AND KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88

BID SCHEDULE A – STREET IMPROVEMENTS

Item No.	Approx. Qty.	Unit of Measure	Item Description	Unit Price	Total Bid
1	1	LS	MOBILIZATION	$ 46646.25	$ 46646.25
2	1	LS	CONSTRUCTION SURVEYING	$ 400.00	$ 400.00
3	1	LS	TRAFFIC CONTROL (PCC CONSTRUCTION, STREET REHABILITATION, CAPE & SLURRY SEAL)	$ 32636.25	$ 32636.25
4	17,125	LF	REMOVE PCC CURB & GUTTER (HEIGHT & WIDTH VARIES)	$ 14.50	$ 248312.50

Item No	Approx. Qty	Unit of Measure	Item Description	Unit Price	Total Bid
5	25,850	SF	REMOVE PCC SIDEWALK	$ 2.00	$ 51700.00
6	12,399	SF	REMOVE PCC ACCESS RAMP	$ 2.00	$ 24798.00
7	850	SF	REMOVE AC ALLEY INTERSECTION	$ 3.00	$ 2550.00
8	13,082	SF	REMOVE PCC DRIVEWAY	$ 2.50	$ 32705.00
9	17,125	LF	CONST. CURB AND GUTTER ((HEIGHT & WIDTH VARIES) OVER 8" CMB	$ 25.00	$ 428125.00
10	12,399	SF	CONST. PCC ACCESS RAMP	$ 6.50	$ 80594.00
11	25,850	SF	CONST. PCC SIDEWALK	$ 5.00	$ 129250.00
12	13,082	SF	CONST. PCC DRIVEWAY	$ 6.50	$ 85033.00
13	850	SF	CONST. PCC ALLEY INTERSECTION INCLUDING CURB AND GUTTER OVER 6" CMB	$ 9.00	$ 7650.00
14	6,127	SF	REMOVE AND RECONSTRUCT 4' & 6' WIDE CROSS GUTTER INCLUDING SPANDREL (PER APWA STD. 123-1) OVER 8" CMB	$ 17.00	$ 104159.00
15	1	LS	MISCELLANEOUS REMOVALS AND RELOCATIONS	$ 3800.00	$ 3800.00
16	173	CY	TRENCH BACKFILL SLURRY (CLASS 270-E-500)	$ 140.00	$ 24220.00
17	62,087	SF	SLURRY SEAL	$ 0.18	$ ~~4176.00~~ 11175.66 DB
18	296,103	SF	CAPE SEAL	$ 0.57	$ 168778.71
19	28,050	SF	COLD MILL (DEPTH = 0 – 2 INCHES THICK)	$ 0.25	$ 7012.50
20	110,000	SF	REMOVE EXISTING AC PAVEMENT	$ 0.51	$ 56100.00
21	4,200	CY	UNCLASSIFIED EXCAVATION	$ 49.00	$ 205800.00

Item No.	Approx. Qty.	Unit of Measure	Item Description	Unit Price	Total Bid
22	1,900	CY	CRUSHED MISCELLANEOUS BASE	$ 31.00	$ 58900.00
23	1,300	TON	AC PAVEMENT B-AR4000 (230TH STREET & LOCAL REPAIRS)	$ 80.00	$ 104000.00
24	1,150	TON	AC PAVEMENT D2 (LEVELING COURSE)	$ 72.00	$ 82800.00
25	16,923	SY	PAVEMENT FABRIC	$ 0.85	$ 14384.55
26	7,500	TON	AC PAVEMENT C2-AR4000	$ 67.00	$ 502500.00
* 27	~~88,973~~ 200,000	SF	12 INCH PULVERIZATION AND 6% PORTLAND CEMENT TREATED MIXTURE	$ 1.19	$ 238000.00
28	56	EA	ADJUST MANHOLE TO GRADE	$ 470.00	$ 26320.00
29	106	EA	ADJUST UTILITY ACCESS COVER TO GRADE	$ 320.00	$ 33920.00
30	6,582	LF	BITUMINOUS PAVEMENT CRACK SEALING (3/8" WIDE MAXIMUM)	$ 1.05	$ 6911.10
31	1	LS	TEMPORARY PAINTED STRIPING, PERMANENT THERMOPLASTIC STRIPING, THERMOPLASTIC PAVEMENT MARKINGS MARKERS, CURB PAINT AND CURB ADDRESSES	$ 14652.00	$ 14652.00

SUBTOTAL PRICE - BID SCHEDULE A $ 2,833,833.00
(Figures)*

SUBTOTAL PRICE - BID SCHEDULE A Two Million Eight Hundred
(Words)*

Thirty Three Thousand Eight Hundred Thirty Three Dollars and no cents

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

* Per Addendum No. 2 dated April 25, 2006.

BID SCHEDULE B – KENT/GALVA WATER MAIN REPLACEMENT

Item No.	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID PRICE
B1	1	LS	MOBILIZATION/DEMOBILIZATION (WATER MAINS)	8285.00	8285.00
B2	344	LF	Furnish and install 8-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), trench resurfacing (base and surface course) and AC pavement replacement per City Std. T116-2, potholing, replacing traffic control detector loops, restoration of surface features, pressure and disinfection testing, and all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	204.00	70176.00
B3	459	LF	Furnish and install 8-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), temporary trench resurfacing and AC pavement replacement per Plan Detail F3, potholing, replacing traffic control detector loops, restoration of surface features, pressure and disinfection testing, and all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	91.00	37179.00
B4	1,594	LF	Furnish and install 8-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), temporary trench resurfacing and AC pavement replacement per City Std. T116-M, potholing, replacing traffic control detector loops, restoration of surface features, pressure and disinfection testing, and all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	121.00	192874.00
B5	37	LF	Furnish and install 8-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), trench resurfacing & top soil replacement per City Std. T116-2, potholing, replacing traffic control detector loops, restoration of surface features, pressure & disinfection testing, & all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	140.00	5180.00

Item No.	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID PRICE
B6	46	LF	Furnish and install 6-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), trench resurfacing (base and surface course) and AC pavement replacement per City Std. T116-2, potholing, replacing traffic control detector loops, restoration of surface features, pressure and disinfection testing, and all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	135.00	6210.00
B7	1,068	LF	Furnish and install 6-inch diameter ductile iron pipe including fittings, thrust blocks, restrained joints, backfill (slurry backfill if required), temporary trench resurfacing and AC pavement replacement per Plan Detail F3, potholing, replacing traffic control detector loops, restoration of surface features, pressure and disinfection testing, and all appurtenances required for a complete system, in accordance with the plans, specifications, and standard drawings.	93.00	99324.00
B8	19	EA	Furnish and install 8-inch R.W. gate valve, including valve box assembly, in accordance with plans, specifications, and standard drawings.	1100.00	20900.00
B9	2	EA	Furnish and install 6-inch R.W. gate valve, including valve box assembly, in accordance with plans, specifications, and standard drawings.	785.00	1570.00
B10	6	EA	Furnish and install fire hydrant assembly including valve and piping per City Std. T705 in accordance with plans, specifications, and standard drawings.	4765.00	28590.00
B11	6		Remove existing fire hydrant and salvage to City yard; abandon associated piping and valve in accordance with plans, specifications, and standard drawings once the replacement fire hydrant is in place and in service.	2200.00	13200.00
B12	95	EA	Furnish and install new ¾-inch automatic-read meter in new individual meter box. Furnish and install 1-inch service and connect to new meter per City Std. No. T703 and abandon existing service in accordance with plans, specifications, and standard drawings.	1450.00	137750.00

Item No.	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID PRICE
B13	1	EA	Furnish and install new 1 ½-inch automatic-read meter in new individual meter box. Furnish and install 2-inch service and connect to new meter per City Std. No. T704 and abandon existing service in accordance with plans, specifications, and standard drawings.	4300.00	4300.00
B14	2	EA	Furnish and install 2-inch blowoff per City Std. T707 including ball valve, blowoff hydrant, 2-inch piping, fittings, valve box assembly and restoration of surface features in accordance with the plans, specifications, and standard drawings.	2000.00	4000.00
B15	2	EA	Furnish and install connections to the 8-inch CIP main on Anza Avenue and 230th Street including potholing, 8-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	4000.00	8000.00
B16	2	EA	Furnish and install connections to the 6-inch CIP main on Lomita Boulevard and Ladeene Avenue including potholing, 6-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	4000.00	8000.00
B17	2	EA	Furnish and install connections to the 8-inch CI main on Anza Avenue and 230th Place including potholing, 8-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	4450.00	8900.00
B18	1	EA	Furnish and install connection to the 4-inch CI main on Anza Avenue and 230th Place including potholing, 6-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	4300.00	4300.00
B19	1	EA	Furnish and install connection to the 8-inch DIP main on Kent Avenue and Grant Avenue including potholing, 8-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	4000.00	4000.00

Item No.	Approx. Qty	Unit	DESCRIPTION	Unit Price	TOTAL BID PRICE
B20	1	EA	Furnish and install connection to the 10-inch CIP main on Lomita Boulevard and Kent Avenue including potholing, 8-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	$ 5000.00	$ 5000.00
B21	1	EA	Furnish and install connection to the 8-inch DIP main on Galva Avenue and Grant Avenue including potholing, 8-inch DIP, fittings and sleeves, restrained joints, thrust blocks and removal of the existing piping in accordance with plans, specifications, and standard drawings.	$ 4000.00	$ 4000.00
B22	200	CY	Crushed rock, as required, to replace unsuitable native soil below pipe bedding, complete in place, including excavation, disposal, installation and compaction.	$ 111.00	$ 22200.00
B23	1	LS	Abandon in place the existing 10-inch and smaller water mains, in accordance with plans, specifications, and standard drawings.	$2600.00	$2600.00
B24	12	EA	Abandon in place the existing 8-inch and smaller valves and blowoffs in accordance with plans, specifications, and standard drawings.	$250.00	$ 3000.00
B25	1	LS	Provide usual and customary construction staking for the project in accordance with specifications.	$ 400.00	$ 400.00
B26	1	LS	TRAFFIC CONTROL (WATER MAINS)	$10931.50	$10931.50
B27	1	LS	Miscellaneous removals and relocations (except for the removal and abandoning of existing piping).	$5233.00	$5233.00
B28	1	LS	Furnish and Install excavation safety measures, including adequate sheeting, shoring and bracing or equivalent methods for the protection of life and limb per Section 6707 of California Labor Code.	$ 2616.50	$ 2616.50

SUBTOTAL PRICE - BID SCHEDULE B $ 718,719.00
(Figures)*

SUBTOTAL PRICE - BID SCHEDULE B Seven Hundred Eighteen
(Words)*

Thousand Seven Hundred Nineteen Dollars and no cents

TOTAL BID - SCHEDULES A + B $ 3,552,552.00
(Figures)*

TOTAL BID - SCHEDULES A + B Three Million Five Hundred
(Words)*

Fifty Two Thousand Five Hundred Fifty Two Dollars and no cents.

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

(SEE NEXT PAGE)

PLUS ITEMS ADDED BY CITY ON NEXT PAGE (C-9)

① 2.5% LATEX SLURRY – $0.005/SF * 62,087 SF = $310.44

② DET. WARN. SURFACES – $600.00/EA * 90 = $54,000.00

③ +1% PCC CONTENT – $0.09/SF * 200,000 SF = $18,000.00

SUBTOTAL $72,310.44

TOTAL BID $3,624,862.44

Notes:

The City may choose to specify the addition of 2.5% latex to the slurry seal for any or all of the specified locations in these specifications. The contractor's bid price per square foot for the addition of this material is $ 0.005.
(Figures)

Zero dollars and one half cent
(Words)

~~dollars~~/square foot.

The City may choose to specify the addition of a total of ninety (90) 36" X 48" Detectable Warning Surfaces as specified in Section 303-5.5.5 of these Specifications for all of the curb access ramp locations specified in Appendix II of these Specifications.
The contractor's bid price per each for the installation of this material is $ 600.00.
(Figures)

Six Hundred
(Words)

dollars/each.

The City may choose to increase or decrease the percentage of Portland cement content in the specified locations for the bid item "12 Inch Pulverization and 6% Portland Cement Treated Mixture."

The contractor's bid price per square foot for the addition of 1% Portland cement content (total of 7% Portland cement content) is $ 0.09
(Figures)

Zero dollars and nine cents
(Words)

~~dollars~~/square foot.

The contractor's reduction in the bid price per square foot for reducing the Portland cement content by 1% (total of 5% Portland cement content) is $ 0.09
(Figures)

Zero dollars and nine cents
(Words)

~~dollars~~/square foot.

B2006-12

* = ADDED BY CITY

B2006-12

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.

All American Asphalt
Contractor

Date: April 25, 2006 By: Robert Bradley, Vice President

Contractor's State License Address: P.O. Box 2229

No. #267073 Corona, CA 92878-2229

Class A, C-12 Phone: (951) 736-7600

ACKNOWLEDGMENT OF ADDENDA RECEIVED – B2006-12

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

Addendum No. 1 X

Addendum No. 2 X

Addendum No. 3_____

Addendum No. 4_____

Addendum No. 5_____

Addendum No. 6_____

Addendum No. 7_____

Addendum No. 8_____

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

Robert Bradley

Bidder's Signature
Robert Bradley, Vice President

April 25, 2006
Date

CONTRACTOR'S AFFIDAVIT

STATE OF CALIFORNIA }
}
COUNTY OF Riverside } **B2006-12**

Robert Bradley, being first duly sworn, deposes and says:

1. That he is the

Title Vice President

of All American Asphalt
(Name of Partnership, Corporation, or Sole Proprietorship)

hereinafter called "Contractor," who has submitted to the City of Torrance a proposal for the Construction of **NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5 AND KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88, B2006-12**;

2. That said proposal is genuine; that the same is not sham; that all statement of facts therein are true;

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

4. That the Contractor did not, directly or indirectly, induce, solicit or agree with anyone else to submit a false or sham bid, to refrain from bidding, or to withdraw the bid, to raise or fix the bid price of the Contractor or anyone else, or to raise or fix any overhead, profit or cost element of the Contractor's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Torrance, or of any other bidder, or anyone else interested in the proposed contract;

5. That the Contractor has not in any manner sought by collusion to secure for itself an advantage over any other bidder or to induce action prejudicial to the interests of the City of Torrance, or of any other bidder or of anyone else interested in the proposed contract;

6. That the Contractor has not accepted any bid from any subcontractor or materialman through any bid depository, the bylaws, rules or regulations of which prohibit or prevent the Contractor from considering any bid from any subcontractor or materialman, which is not processed through said bid depository, or which prevent any subcontractor or materialman from bidding to any contractor who does not use the facilities of or accept bids from or through such bid depository;

CONTRACTOR'S AFFIDAVIT (CONTINUED)

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

Dated this 26th day of April, 2006.

Subscribed and Sworn to before me this 26th day of April, 2006.

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

DEBBIE A. MATSEN
Commission # 1452589
Notary Public - California
Riverside County
My Comm. Expires Nov 22, 2007

(Contractor)

Vice President
(Title)

LIST OF SUBCONTRACTORS

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

Name Under Which Subcontractor is Licensed: Robert Castongia

License Number: _____

Address of Office, Mill or Shop: Downey

Specific Description of Sub-Contract: Water

Name Under Which Subcontractor is Licensed: Sterndahl Enterprises

License Number: 421823

Address of Office, Mill or Shop: Sun Valley

Specific Description of Sub-Contract: Striping

Name Under Which Subcontractor is Licensed: Manhole Adjustors

License Number: 398443

Address of Office, Mill or Shop: Monterey Park

Specific Description of Sub-Contract: Cape Seal

Name Under Which Subcontractor is Licensed: Pavement Recycling

License Number: 569352

Address of Office, Mill or Shop: Riverside

Specific Description of Sub-Contract: Cement Treat

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.

OVER →

REFERENCES

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

1. Name (Firm/Agency): City of West Covina

   Address: 1444 West Garvey Avenue, West Covina, CA 91790

   Contact Person: Oscar Chaplin Telephone No.: (626) 939-8445

   Title of Project: Street Rehabilitation at Various Locations

   Project Location: West Covina, CA

   Date of Completion: 6/30/2005 Contract Amount: $ 709,500.00

2. Name (Firm/Agency): City of San Clemente

   Address: 910 Calle Negocio, Suite 100, San Clemente, CA 92673

   Contact Person: Gary Voborsky Telephone No.: (949) 361-6132

   Title of Project: Calle Del Cerro Street Rehabilitation

   Project Location: San Clemente, CA

   Date of Completion: 9/30/2005 Contract Amount: $ 502,000.00

3. Name (Firm/Agency): City of Westminster

   Address: 8200 Westminster Blvd., Westminster, CA 92683

   Contact Person: Theresa Tran Telephone No.: (714) 898-3311

   Title of Project: 03/04 Citywide Street Improvement Project

   Project Location: Westminster, CA

   Date of Completion: 2/16/2005 Contract Amount: $ 1,199,567.00

4. Name (Firm/Agency): City of Garden Grove

   Address: 11222 Acacia Parkway, Garden Grove, CA 92842

   Contact Person: Navin Maru Telephone No.: (714) 741-5180

   Title of Project: Euclid Street and Harbor Blvd.

   Project Location: Garden Grove, CA

   Date of Completion: 9/30/2005 Contract Amount: $ 1,972,000.00

REFERENCES

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

Work Description & Contract Amount	Agency	Date Completed

Contractor's License No.: #267073 Class: A, C-12

a. Date first obtained: 1-19-71 Expiration 1-31-08

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	LICENSE NO. (If Applicable)
Dan Sisemore	President	#267073
Thomas Toscas	Sec./Treasurer	"
Robert Bradley	Vice President	"
Mark Luer	Vice President	"

DBE

DBE BIDDERS LIST
B2006-12

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: All American Asphalt **Phone:** (951) 736-7600

Address: P.O. Box 2229 **Fax:** (951) 739-4671
Corona, CA 92878-2229

Contact Person: Robert Bradley **No. of years in business:** 37 years.

Is the firm currently certified as a DBE under 49 CFR Part 26: YES: ____ **NO:** X

Type of work/services/materials provided by firm? Grading, Paving, Concrete

What was your firm's Gross Annual receipts for last year?

Less than $1 Million
Less than $5 Million
Less than $10 Million
Less than $15 Million
More than $15 Million

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

VIOLATIONS OF FEDERAL, STATE OR LOCAL LAWS

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

Yes/No: No. Federal/State: _____

If "yes," identify and describe, (including agency and status): N/A.

_____

_____

_____

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): _____

N/A.

_____

_____

DISQUALIFICATION OR DEBARMENT

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

Date: _____ Entity: _____

Location: _____

Reason: _____

_____

_____

_____

_____

Provide Status and any Supplemental Statement: _____

_____

_____

_____

_____

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

CITY OF TORRANCE, CALIFORNIA

ADDENDUM NO. 1
Issued: April 11, 2006

TO

PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT FOR THE CONSTRUCTION OF

NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5
AND
KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88

B2006-12

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

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

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

   "Notice is hereby given that sealed bids for performing the following described work will be received at the Office of the City Clerk of the City of Torrance, California, **until 2:00 p.m. on Thursday, April 27, 2006,** after which time they will be publicly opened and read at 2:15 p.m. in the Council Chambers of said City:"

By Order of the City Engineer

CRAIG BILEZERIAN
City Engineer

BIDDER'S CERTIFICATION

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

All American Asphalt
Bidder

By Robert Bradley, Vice President

April 25, 2006
Date

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

Facsimile
TRANSMITTAL

CITY OF TORRANCE
Public Works Department
20500 Madrona Ave.
Torrance, CA 90503

Date: 4/25/06

Time:

To: Planholders

Fax No.

Number of pages (including this cover sheet): 3

From: Craig Bilezerian

Ph. No. (310) 781-6900
Fax No. (310) 781-6902

Message:

Addendum #2

B 2006-12

CITY OF TORRANCE, CALIFORNIA

ADDENDUM NO. 2
Issued: April 25, 2006

TO

PROPOSAL, SPECIFICATIONS, BOND AND AFFIDAVIT FOR THE CONSTRUCTION OF

NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5
AND
KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88

B2006-12

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

1. Refer to Specification Section C – BID DOCUMENTS.

On page C-3 of the Bidder's Proposal: For bid item No. 27 "12 INCH PULVERIZATION AND 6% PORTLAND CEMENT TREATED MIXTURE" the **Approximate Quantity** shall be increased from **88,973 SF to 200,000 SF**. The Contractor shall make this revision in his bid proposal.

By Order of the City Engineer

CRAIG BILEZERIAN
City Engineer

BIDDER'S CERTIFICATION

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

All American Asphalt
Bidder

By Robert Bradley, Vice President

April 26, 2006
Date

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

ATTACHMENT C

CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of _____, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Bureau Veritas/Berryman & Henigar, Inc., a Nevada corporation ("CONTRACTOR").

RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide construction inspection services for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation and Water Main replacement, I-5/I-88; B2006-12.

B. CONTRACTOR represents that it is qualified to perform those services.

AGREEMENT:

1. **SERVICES TO BE PERFORMED BY CONTRACTOR**
CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A. CONTRACTOR warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. **TERM**
Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 30, 2007.

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 $79,080.00 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

B. Schedule of Payment.

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

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.

2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:

   a. cease operations as directed by CITY in the notice;
   b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
   c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

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

C. Termination for Breach of Law.

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

5. FORCE MAJEURE

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

6. RETENTION OF FUNDS

CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR's acts or omissions in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness

exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**
Robert J. Beste 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:

George Wentz, Regional Chief Executive
Tim D'Zmura, Senior Vice President

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

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

11. **OTHER LICENSES AND PERMITS**
CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**
By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will

investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from CITY.

13. CARE OF WORK

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

14. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS

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

15. INDEMNIFICATION

CONTRACTOR will indemnify, pay for cost of defense, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss. The obligation to indemnify, pay for cost of defense, and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR's obligations to indemnify, defend and hold harmless will apply, but only to the extent covered by CONTRACTOR's negligence, even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting from the sole negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity.

16. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

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

17. INSURANCE

A. CONTRACTOR and its subcontractors must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:

   a. Primary Bodily Injury with limits of at least $500,000 per person, $500,000 per occurrence; and

   b. Primary Property Damage of at least $250,000 per occurrence; or

   c. Combined single limits of $1,000,000 per occurrence.

2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least $1,000,000 per occurrence.

3. Workers' Compensation with limits as required by the State of California and Employer's Liability with limits of at least $1,000,000.

B. The insurance provided by CONTRACTOR will be primary and non-contributory.

C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.

D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.

E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS

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

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

19. CONFLICT OF INTEREST

A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.

2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.

3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.

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

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

CONTRACTOR	Bureau Veritas/Berryman & Henigar, Inc. 2001 East First Street Santa Ana, CA 92705-4020 Fax: (714) 667-1071
CITY:	City Clerk City of Torrance 3031 Torrance Boulevard Torrance, CA 90509-2970 Fax: (310) 618-2931

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

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

22. INTEGRATION; AMENDMENT

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

23. INTERPRETATION

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

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

25. **TIME OF ESSENCE**
Time is of the essence in the performance of this Agreement.

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

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**
CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

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

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

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

31. **CONTRACTOR'S AUTHORITY TO EXECUTE**
The persons executing this Agreement on behalf of the CONTRACTOR warrant that (i) the CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONTRACTOR; (iii) by so executing this Agreement, the CONTRACTOR is formally bound to the provisions of this Agreement; and

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

CITY OF TORRANCE
a Municipal Corporation

_____
Dan Walker, Mayor

ATTEST:

_____
Sue Herbers
City Clerk

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

By:_____

Bureau Veritas/Berryman & Henigar, Inc.
a Nevada corporation

By:_____
George Wentz
Regional Chief Executive

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Compensation Schedule

Revised: 1/30/01

EXHIBIT A

SCOPE OF SERVICES

BUREAU VERITAS

RECEIVED

April 20, 2006

Berryman & Henigar APR 26 2006

PROPOSAL LETTER Public Works Department

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

Subject : NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5 AND KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-89; B2006-12

Dear Mr. Bilezarian:

Bureau Veritas/Berryman & Henigar appreciates the opportunity to submit this proposal to provide the above-referenced services to the City of Torrance. We understand that we are to provide inspection for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation and Water Main Replacement, I-5/I-89; B2006-12. Our Inspector, Mr. Ron Katayama will monitor the progress of these elements to assure compliance with the applicable laws, regulations, plans, and specifications in accordance with the following scope of work:

SCOPE OF WORK

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

SCOPE OF WORK (CONTINUED)

2001 East First Street
Santa Ana, CA 92705-4020
Tel: (714) 568-7300
Fax: (714) 836-5906
www.us.bureauveritas.com

• Fax (714) 667-1071
cell (714)313-1602 george wentz@us.bureauveritascom
An Equal Opportunity Employer

SCOPE OF WORK (CONTINUED)

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

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

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

Sincerely,

Berryman & Henigar

George Wentz
Southwest Regional Manager

Authorization to Proceed:

_____ _____

Craig Bilezarian, Project Manager Date

RONALD KATAYAMA

Project Construction Manager and Inspector

Registrations/Certifications

- Public Works Inspector
- Grading
- Pavement
- Underground
- Cal OSHA Compliance Training
- Traffic Control Seminar
- AC Pavement

RELEVANT EXPERIENCE

Ronald Katayama has over 12 years of construction inspection and over 17 years of construction experience. He has supervised the installation of electrical main backbone, "Opticon" emergency vehicle pre-emption system, video detectors, removal and replacement of traffic signals, traffic controllers and irrigations systems. He has also been responsible for underground rough to finish, curb and gutter, culverts and roadway surfacing, and is familiar with irrigation and landscape construction. He has reviewed grade-checking, rough grading (cut & fill) to balance on importing of soil to the site. Mr. Katayama has also supervised the construction and inspected projects for the installation of sanitary sewer lines, storm drains and water facilities.

Ron is a talented and hardworking individual dedicated to the success of the organization. Mr. Katayama attends evening classes at a Junior College were he studies inspection of rubberized asphalt concrete and traffic safety.

Public Works Inspector, City of San Clemente, CA. Ron is providing public works inspection throughout the City of San Clemente. The project encompasses inspection of off-site connections of sewer, water, and gas in 12-15 sub-divisions. He is responsible to observe installation of interconnect cable throughout the city, inspection and approval of installation of offsite sewer and storm drain catch basins, and culverts, city walks, and curb and gutter. Ron is also responsible for finalizing tract, organizing punch list items for removal and replacement of curb and gutter, street, asphalt, and assist contractor and developer in obtaining City acceptance.

Public Works, Construction Manager and Inspector, City of Torrance CA. Ron provided the Construction Management and Inspection services for the City's Curb, Gutter and Sidewalk replacement Program. This entailed removal and replacement of sidewalk, driveway, and curb and gutter to eliminate potential lawsuits to the City due to tripping hazards, standing water, and the installation of 75 handicapped access ramps including detectible surfaces. Ron was requested by the City due to the quality of his work and the relationships he cultivated.

Public Works Construction Manager and Inspector, City of Culver City, CA. Mr. Katayama provided the Construction Management and Inspection services for the Traffic Video Surveillance/Traffic Flow Monitoring Project for the City. This involved connecting 11 cameras located at 11 intersections to the City Hall Traffic Engineer's office, the Emergency Operations Center, the Police Station and the City Traffic Signal Repair office. The work included the installation of the field infrastructure for the closed circuit video equipment, electrical equipment, conduit, grounding and other traffic signal related equipment.

Public Works Inspector, Artesia Landscape Medians, City of Torrance, CA. Mr. Katayama has been the inspector on the Artesia Landscape Median Project which is an extension of the Artesia Boulevard Street Improvement project with the additional Video and Landscape elements. The "Opticon" Emergency Vehicle pre-emption system was installed along this boulevard with video detectors, cable from the detectors to the controllers and cameras. Traffic signals were removed and replaced with new, also traffic controllers, and conduit for median up-lights and receptacles. Additionally "interconnect cables" were installed for all traffic signals. The project also included the removal of existing asphalt and sub-grade, compaction of sub-grade and CAB asphalt. Installation of new irrigation, sleeving for main line and laterals with Point of Connection to re-claimed water. Removal and installation of curb and gutter, sidewalk, and curb median islands. Installation of storm drains and 4 catch basins were installed to 42-36 storm drain pipe. The storm drain pipe connected to the L.A. County System. New irrigation controllers and traffic controllers were also installed.

Public Works Inspector, Artesia Boulevard Street Improvements, City of Torrance, CA Mr. Katayama has performed as the public works observer on the Artesia Boulevard Street Improvements which encompasses serving as the City's representative and liaison with the Contractor during the construction phase of the project, conduct daily observation of the work in progress, ability to immediately recognize if the work in progress conforms to the contract requirements, anticipation of potential problems, recognize unacceptable work in the early stages and report it to the Contractor. He also prepares Daily Work Reports, reviews Contractor's Certified Payroll and conducts interviews with the Contractor workforce, performs duties, including administrative, associated with Federal Labor Compliance requirements, monitor DBE workforce, review contract closeout items, conduct pre-final inspection and prepare the associated Punch List documenting incomplete or corrective work and then conduct final inspection to verify that all items on the Punch list have been completed or corrected and make recommendations to the City concerning acceptance.

Mr. Katayama has served as a public works observer on a number of municipal public works projects in Los Angeles and Orange County including the following specific projects:

- City of San Gabriel, Kendall Street Rehabilitation and Storm Drain Improvements.
  - 36" RCP & 18" RCP
  - catch basins
- Various Slurry Projects/Crack Seal projects within Los Angeles County
- City of San Gabriel, Smith Park including grading, restroom construction and street rehabilitation.
  - grading
  - construction of retaining walls, walkways & stamped concrete
- Construction Plan Review
- City of San Gabriel, CDBG Street Rehabilitation
  St. Improvements – Wells St.
- City of San Gabriel, 1999-00 CDBG St. Improvements
- City of San Gabriel,St. Rehabilitation – Elm & San Marino Ave.
- City of San Gabriel, 2001 CDBG St. Improvements Del Mar Ave.
- City of San Gabriel, 2001 – 2002 – Millennium Miles I
- City of San Gabriel, 2002 – 2003 – Millennium Miles II
- City of San Gabriel, 2002 – 2003 – Millennium Miles III
  - sidewalks, curb & gutter, cross gutters,

- handicapped ramps
- pulverization of existing AC – use as CMB on site
- complete reconstruction of paving
- cold mill AC
- pavement reinforcement fabric
- rubberized asphalt concrete

- City of La Palma, Valley View Street Rehabilitation & Install of Traffic Signal
  - signals, lights and electrical system
  - complete reconstruction of pavement
- City of Lawndale, 154 Street Rehabilitation
- City of Lawndale, 2002 – 152nd St. & 164th St. Rehabilitation
  - cold mill
  - construction – sidewalks, curb & gutter, cross gutters, handicapped ramps
  - rubberized asphalt concrete
- City of Villa Park, Slurry Seal
  - crack sealing

Superintendent - Belaire-West Landscape, Inc.

Terra-Cal Construction, Inc.

Blvd. Development Inc.

Mr. Katayama's duties as a superintendent were to:

- Supervise, construct and schedule the survey crew, grade check, rough grading (cut & fill) to balance or importing of soil.
- Install sanitary sewer lines, storm drain and domestic water lines.
- Supervise and direct the installation of electrical, underground rough to finish, curb and gutter, culverts and roadway surfacing along with all irrigation and landscaping.
- Supervise and schedule the grading of foundation pads, retaining walls, construction of foundations, framing, rough plumbing, electrical and water to completion.

EXHIBIT B

COMPENSATION SCHEDULE

EXHIBIT B

NORTH TORRANCE RESIDENTIAL STREET REHABILITATION, I-5 & KENT/GALVA STREET REHABILITATION & WATER MAIN REPLACEMENT, I-5/I-88

COMPENSATION SCHEDULE for BERRYMAN & HENIGAR
CONSTRUCTION INSPECTION SERVICES

PRE-CONSTRUCTION CONFERENCE	$ 360.00
CONSTRUCTION PHASE **WEEKDAYS** Perform construction inspection for 120 working days. (8 hr/day @ $82/hr)	$ 78,720.00
TOTAL OF AGREEMENT:	**$ 79,080.00**

ATTACHMENT D

CONTRACT SERVICES AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of _____, 2006 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Labelle Marvin, Inc., a California Corporation ("CONTRACTOR").

RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide materials testing and paving inspection services for the North Torrance Residential Street Rehabilitation, I-5 and Kent/Galva Street Rehabilitation and Water Main replacement, I-5/I-88; B2006-12 .

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

2. **TERM**
Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 13, 2007.

3. **COMPENSATION**
A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the Scope of Services and Compensation Schedule attached as Exhibit A, 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 $58,090.00 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

B. Schedule of Payment.

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

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.

2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:

   a. cease operations as directed by CITY in the notice;
   b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
   c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys

due the CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

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

C. Termination for Breach of Law.

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

5. <u>FORCE MAJEURE</u>

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:

Steven R. Marvin, President

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	Labelle Marvin, Inc. 2700 S. Grand Avenue Santa Ana, CA 92705-5404 Fax: (714) 546-5841
CITY:	City Clerk City of Torrance 3031 Torrance Boulevard Torrance, CA 90509-2970 Fax: (310) 618-2931

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

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

22. INTEGRATION; AMENDMENT

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

23. INTERPRETATION

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

24. SEVERABILITY

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

25. TIME OF ESSENCE

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

26. GOVERNING LAW; JURISDICTION

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

27. COMPLIANCE WITH STATUTES AND REGULATIONS

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

28. WAIVER OF BREACH

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

29. ATTORNEY'S FEES

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

30. EXHIBITS

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

31. CONTRACTOR'S AUTHORITY TO EXECUTE

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

CITY OF TORRANCE
a Municipal Corporation

_____
Dan Walker, Mayor

ATTEST:

_____
Sue Herbers
City Clerk

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

By:_____

Labelle Marvin, Inc.
A California Corporation

By:_____
Steven R. Marvin
President

Attachments: Exhibit A Scope of Services & Compensation Schedule

Revised: 1/30/01

EXHIBIT A

SCOPE OF SERVICES & COMPENSATION SCHEDULE

EXHIBIT A

North Torrance Street Rehabilitation and Kent/Galva Street Rehabilitation, I-5

SCOPE OF SERVICES & COMPENSATION SCHEDULE for LABELLE MARVIN

PROJECT MANAGEMENT, REPORTS, LAB TIME	Hours or Each	AMOUNT
Principal	12	$ 2,160.00
Technician (USA + 1 day core+1 day lab+ reports)	24	$ 1,680.00
Coring (6 cores pre-construction to determine cement content)	8	$ 880.00
Unconfined Compression (6 breaks)	6	$ 330.00
SUBTOTAL		**$ 5,050.00**
MATERIALS/COMPACTION TESTING	Hours or Each	
Compaction (subgrade and CMB)	176	$ 14,080.00
Crushed Miscellaneous Base		
Maximum Density/Optimum Moisture Test - ASTM D1557	8	$ 1,040.00
Asphalt Concrete		
Stability Test Hveem Maximum Density ASTM D 1560 + Lab runner time.	20	$ 4,400.00
Binder Content - Ignition Oven, CA382	32	$ 6,080.00
Extraction, % Asphalt (Reflux) Gradation ASTM D2172	32	$ 6,080.00
Gradation of Extracted Aggregate (including wash) CA202	27	$ 2,160.00
SUBTOTAL		**$ 33,840.00**
OBSERVATION OF PAVING OPERATIONS	Hours	
Batch Plant Inspection	128	$ 8,960.00
On-site testing with Nuclear Gauge	128	$ 10,240.00
SUBTOTAL		**$ 19,200.00**
TOTAL OF AGREEMENT:		**$ 58,090.00**

ATTACHMENT E

SECOND AMENDMENT TO AGREEMENT

This Second Amendment to Agreement C2004-173 is made and entered into as of _____, 2006, by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and West Coast Arborist, Inc. a California Corporation ("CONTRACTOR").

RECITALS:

A. CITY and CONTRACTOR entered into an Agreement on September 14, 2004, whereby CONTRACTOR agreed to furnish all labor, materials and equipment required for tree and/or stump removal, tree planting and tree trimming on an "as needed basis" at various locations throughout the city of Torrance for a period of three (3) years.

B. CITY and CONTRACTOR entered into an Amendment to the Agreement on November 16, 2004, for additional similar tree maintenance and increased the Agreement amount by an additional $300,000 ($100,000 per year) for a new not-to-exceed amount of $440,000.

C. CITY wishes to include further additional work in the Agreement so that CONTRACTOR will perform similar services for the Residential Street Rehabilitation, I-5, in accordance with the Scope of Services attached as Exhibit A-1. The additional work will cost an additional $32,000.

D. CITY wishes to increase the Agreement sum from $440,000, to $472,000, an increase of $32,000, to complete the additional work.

AGREEMENT:

1. Paragraph 1, entitled "SERVICES TO BE PERFORMED BY CONTRACTOR," is amended to read in its entirety as follows:

   "**1. SERVICES TO BE PERFORMED BY CONTRACTOR**
   CONTRACTOR will provide the services listed in the Scope of Services attached as Exhibit A to the original Agreement and the services listed in the Scope of Services attached as Exhibit A-1 to this Second Amendment. CONTRACTOR warrants that all work and services will be performed in a competent, professional and satisfactory manner."

2. Paragraph 3A entitled "CONTRACTOR's Fee," is amended to read in its entirety as follows:

   "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 to the original agreement dated September 14, 2004 and Exhibit B-1 attached to this Amendment, provided, however, that in no event will the total amount of money paid the CONTRACTOR, for services contemplated by this Agreement, exceed the sum of $472,000 ("Agreement Sum"), unless otherwise first approved in writing by CITY."

2. In all other respects, the Agreement entered into as of September 14, 2004, between CITY and CONTRACTOR and the First Amendment entered into as of November 16, 2004, are ratified and reaffirmed and are in full force and effect.

CITY OF TORRANCE
a Municipal Corporation

_____
Dan Walker, Mayor

ATTEST:

_____
Sue Herbers, City Clerk

WEST COAST ARBORIST, INC.
a California Corporation

By: _____
Patrick Mahoney
President

APPROVED AS TO FORM:

John L. FELLOWS III
City Attorney

By _____
Heather K. Whitham
Deputy City Attorney

EXHIBIT A-1

SCOPE OF SERVICES

The Contractor is to furnish all Labor, Materials, and Equipment required for Tree and/or Stump Removal, and Tree Planting for the Residential Street Rehabilitation, I-5 on the residential streets shown on the attached Maps.

A.

1. Contractor must be experienced and capable of satisfactorily performing the specified work covered by this contract.

2. All planting standards to comply with recommendations of ISA-International Society of Arborist

3. The City will provide the Contractor with a list of address locations of all trees and stumps to be removed and the location of the trees to be planted. NOTE THAT THE TREE/TREE STUMPS TO BE REMOVED WILL BE LOCATED AT NUMEROUS LOCATIONS ON RESIDENTIAL STREETS.

4. A certified arborist will be on or available to report to the job site at all times.

5. The tree and tree stump removal service shall consist of cutting down designated trees and grinding of remaining stumps and surface roots to a minimum of twenty-four (24) inches below curb grade. Finished grade of the parkway will be level to the top of the curb and sidewalk for the length of the parkway.

   In the case of roots growing under streets, gutters, curbs and walkways, the roots are to be cut-off flush at the concrete.

   All trees to be removed will be marked by the City with a colored Notice and painted dot at the base of the tree.

   Grindings from the stump grinder can be used as backfill after stumps and roots are ground out. All debris other than backfill grindings and homeowner requested logs are to be removed from the site and properly disposed of by the Contractor.

   The trees may not be removed from the site in a whole or substantially whole condition unless the Engineer grants special permission.

   The Contractor shall have all rights to any salvage value that may be contained in these trees.

   All work shall be performed during the hours of 7:00 a.m. through 4:00 p.m., Monday through Friday unless otherwise approved by the Engineer.

6. The Engineer, or his approved designate, reserves the right to inspect the "work in progress " and to halt the work that may be unsatisfactory at any time.

7. All public streets, curbs, gutters and sidewalks shall remain in their present conditions. If anytime during the progress of this project the Contractor encounters a situation where property damage occurs or is inevitable, the Contractor must immediately stop work and contact the Engineer at (310) 618-3054 and report the condition before work continues. The Contractor at their cost shall repair any damage caused as a result of Contractor's work.

8. The Contractor shall be responsible for the immediate repair of any sprinkler system damage caused by tree removal.

9. The Contractor may, upon request of the homeowner at the site, leave fireplace sized logs for the homeowner's own use.

10. At the completion of work related to this Amendment, the Contractor will provide the Engineer with a separate Quarterly Green Waste Report. The report will need to include the date, recycling site type of material and the weight of the material.

11. Monthly invoices shall include the following: address, size (dbh & height) type, dates that tree was removed, stump removed, or new tree planted.

B. Traffic Requirements:

1. Street Closures, Detours and Barricades

1.1 All costs involving street closures, detours, delineators and barricades shall be paid by the Contractor.

1.2 The Contractor shall notify the following City departments at least two (2) working days before closing or partially closing any street or alley:

Public Works Department . . . . . (310) 618-3054 (Engineer)
Torrance Police Department . . . .(310) 328-3456
Torrance Fire Department . . . . . .(310) 781-7040

1.3 The Contractor shall notify Underground Service Alert at (800) 422-4133 at least three (3) working days in advance of starting any work involving underground utilities.

1.4 Immediately upon completion of work and opening or reopening of any street or alley, the three (3) parties above shall be notified.

1.5 The Contractor shall install, maintain, and remove all temporary delineators, barricades, lights, warning signs and other facilities necessary to control traffic as specified in the "Work Area Traffic Control Handbook" (Watch Manual). Materials for a temporary facility

may be provided from new or used materials. If used materials are provided, they shall be sound, in good condition and otherwise meet the requirements of new materials. All traffic control devices shall be free of graffiti, and the Contractor shall be responsible to immediately clean and/or replace any device to the satisfaction of the Engineer.

1.6 The Contractor is responsible to post "Temporary No Parking" signs at least 48 hours (two working days) in advance of the first date of enforcement. Each sign must include the beginning and end dates and the hours in effect (if not 24 hours/day), if applicable "Tow-Away" and "City of Torrance" must be written on sign face.

C. Public Notification:

At least three (3) days prior to starting work in any location, the Contractor shall distribute written notices to all homeowners and residents who will be impacted by his work. The Notice will be provided by the Engineer.

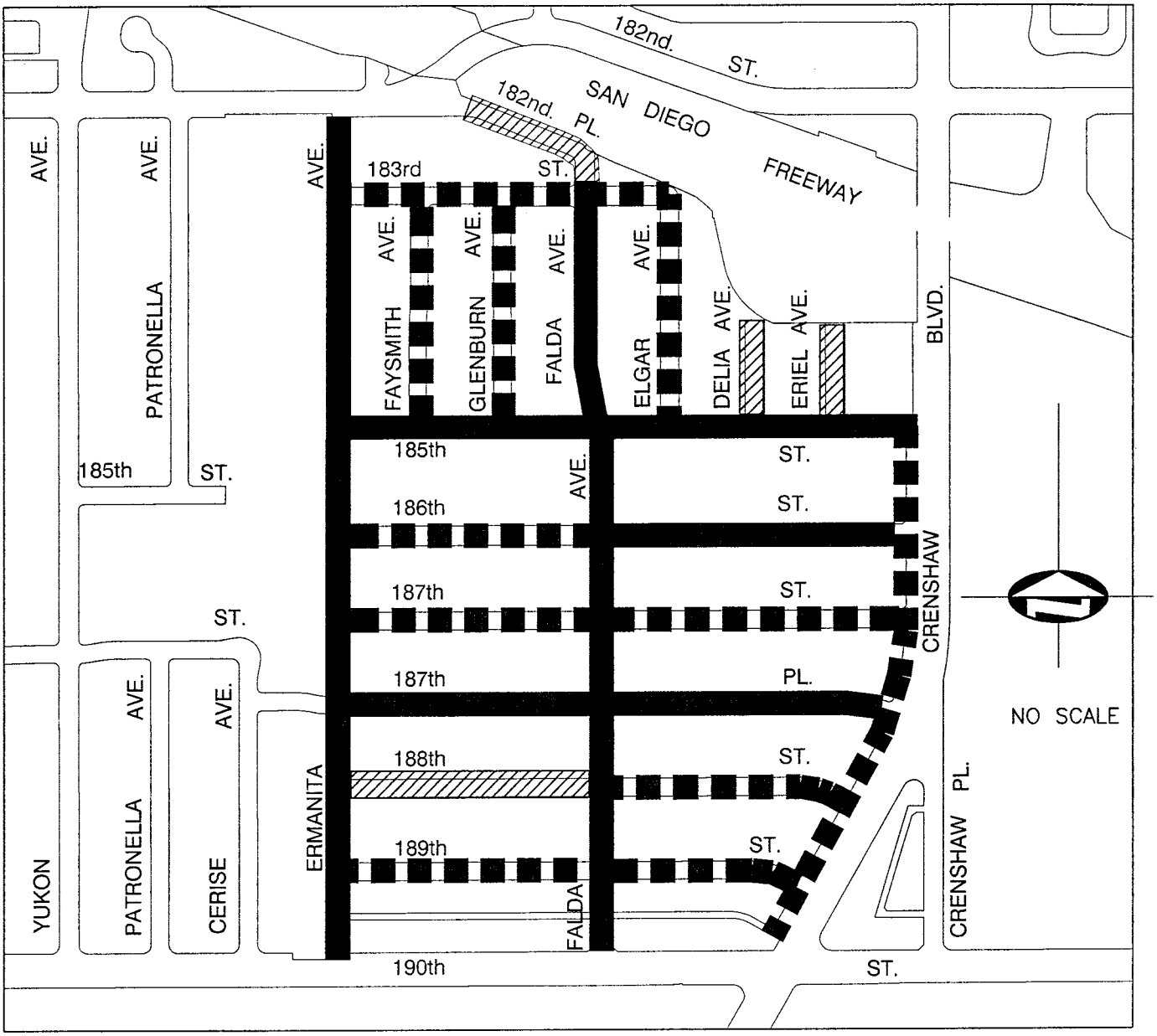
Delivery and Installation Schedule:

The Contractor will provide the City with a schedule and work plan for approval three (3) days prior to the beginning of work.

All work must commence within 10 days of the Notice to Proceed from the Engineer. Trees must be removed and stumps grounded within 30 days.

The new trees will not be planted until the City completes its curb, gutter and sidewalk repairs and street rehabilitation. It is anticipated that the new trees can be planted beginning in October 2006.

RESIDENTIAL STREET REHABILITATION, I-5 & RESIDENTIAL SLURRY SEAL, I-6



LEGEND

EDGE RECONSTRUCTION & OVERLAY (I–5 PROGRAM)

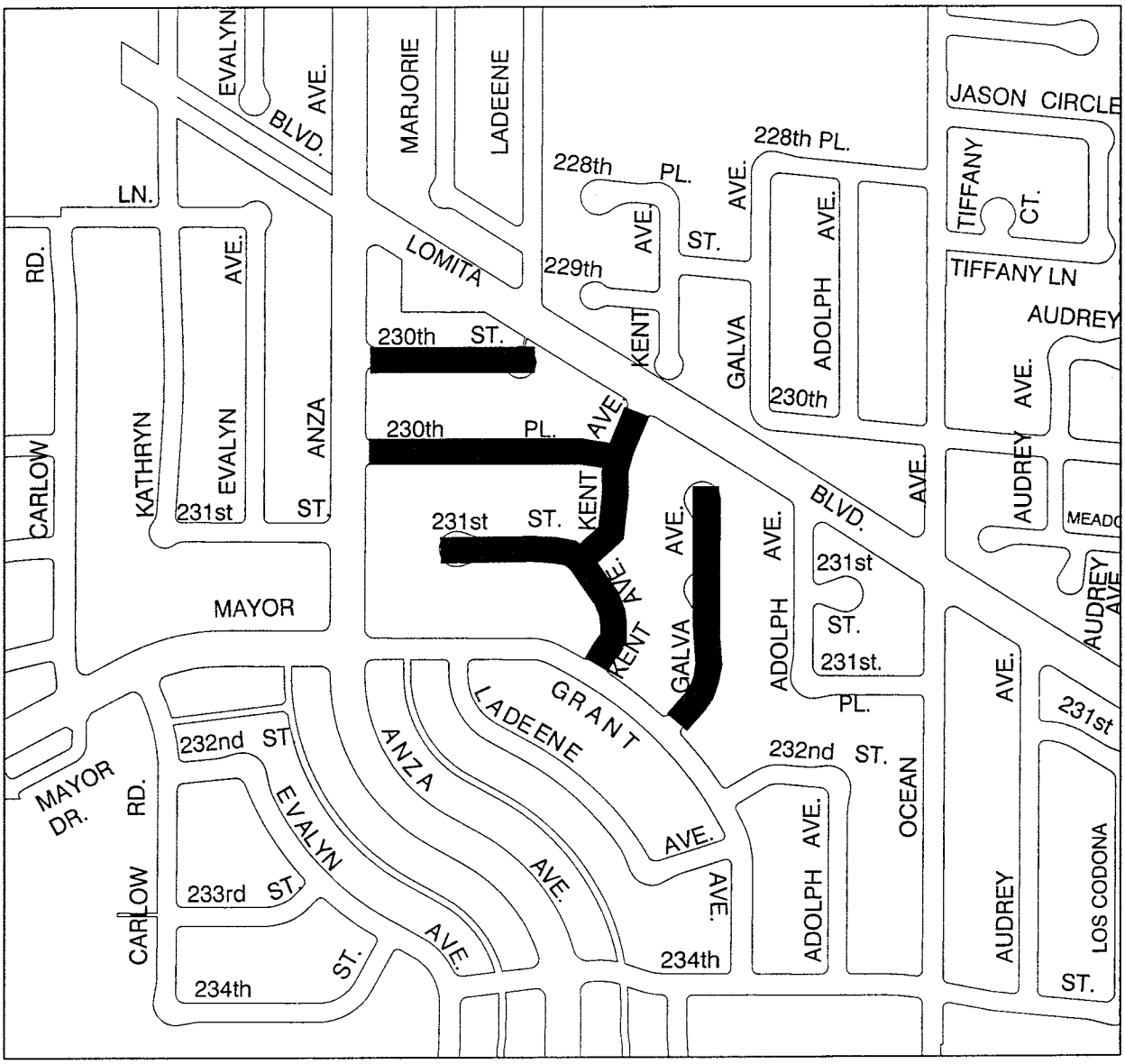
CAPE SEAL (I–6 PROGRAM)

SLURRY SEAL (I–6 PROGRAM)

NOTE: CURB, GUTTER AND SIDEWALK REPAIRS TO BE PERFORMED UNDER I–1 PROGRAM

StreetReh_prop2 (2–9–05)

RESIDENTIAL STREET REHABILITATION, I-5
SOUTH TORRANCE



LEGEND

CURB, GUTTER AND SIDEWALK REPAIRS AND PAVEMENT REHABILITATION/OVERLAY

NO SCALE

StreetReh_prop2 (2-09-05)

EXHIBIT B-1

COMPENSATION SCHEDULE

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

Costs:

Unit Description	Unit Price
Removals	
Complete tree and stump removal < 29"dbh	$ 220.00 per tree
Complete tree and stump removal > 29"dbh	$ 27.00 per inch
Planting	
15-gallon box tree without root barrier and with stakes	$ 85.00 per tree